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STATE OF MONTANA

REPORT TO THE LEGISLATURE

HELENA VOCATIONAL-TECHNICAL CENTER

Report on the Examination of Financial Statements
For the Two Fiscal Years Ended June 30, 1983



OFFICE OF THE LEGISLATIVE AUDITOR

STATE OF MONTANA
STATE CAPITOL • HELENA

STATE OF MONTANA
REPORT TO THE LEGISLATURE
HELENA VOCATIONAL-TECHNICAL CENTER

Report on the Examination of Financial Statements
For the Two Fiscal Years Ended June 30, 1983

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ELECTIVE AND ADMINISTRATIVE OFFICIALS

HELENA VOCATIONAL-TECHNICAL CENTER

Alex Capdeville	Director
James Thomas	Assistant Director
Einar Brosten	Fiscal Administrator
Charles W. Wetterling	Accountant

OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Ed Argenbright	Superintendent and Executive Officer of Vocational Education
Gene Christiaansen	Assistant Superintendent for Vocational Education Services

HELENA SCHOOL DISTRICT #1

Board of Trustees

	<u>Term Expires</u>
Mignon Waterman, Chairman	1984
Terry B. Cosgrove, Vice Chairman	1986
Gregory C. Jackson	1984
Paul Stahl	1984
Jeffrey Strickler	1985
Dean Mack	1985
John S. Romasko	1985
E. Dean Retz	1986
Tim McKeon	1986
Clifford J. Christian	1986

Administrative Officials

Roger Eble	Superintendent
John Campbell	Business Manager

SUMMARY OF RECOMMENDATIONS

This listing serves as a means of summarizing the recommendations contained in the report and the replies of the audited agency and the Office of Public Instruction (OPI).

	<u>Page</u>
<u>Recommendation #1</u>	
<u>The center:</u>	
A. Include SWCAP costs in its indirect cost proposals.	4
Agency Reply: Concur. See page 59.	
OPI Reply: Concur. See page 63.	
B. Comply with section 17-3-111, MCA, and claim all possible indirect costs.	4
Agency Reply: Concur. See page 59.	
OPI Reply: Concur. See page 63.	
C. Account for the indirect cost recoveries in the Unrestricted Fund.	4
Agency Reply: Concur. See page 59.	
OPI Reply: Do not concur. See page 63.	
<u>Recommendation #2</u>	
<u>The center:</u>	
A. Establish a policy to more thoroughly document student residency status.	5
Agency Reply: Concur. See page 59	
OPI Reply: Partially Concur. See page 64.	
B. Maintain adequate documentation to ensure Montana residents are given priority over non-residents.	5
Agency Reply: Partially concur. See page 59.	
OPI Reply: Partially concur. See page 64.	
<u>Recommendation #3</u>	
<u>The center comply with state law regarding leave benefits.</u>	5
Agency Reply: Do not concur. See page 59.	
OPI Reply: Concur. See page 63.	

SUMMARY OF RECOMMENDATIONS (Continued)

Page

Recommendation #4

The center:

- A. Ensure inter-entity loans are repaid by fiscal year-end or request budget authority to transfer funds to cover the flight training deficit. 7

Agency Reply: Concur. See page 60.
OPI Reply: Concur. See page 63.

- B. Maintain adequate insurance coverage for the flight training program. 7

Agency Reply: Concur. See page 60.
OPI Reply: Concur. See page 63.

- C. Obtain OPI approval to provide the flight training service. 7

Agency Reply: Concur. See page 60.
OPI Reply: Concur. See page 63.

Recommendation #5

The center obtain bids and school district approval for all purchases as required by law. 8

Agency Reply: Concur. See page 60.
OPI Reply: Concur. See page 63.

Recommendation #6

The center record revenue in accordance with generally accepted accounting principles. 9

Agency Reply: Concur. See page 60.
OPI Reply: Concur. See page 63.

Recommendation #7

The center:

- A. Comply with federal requirements and identify federal equipment in the property records. 11

Agency Reply: Concur. See page 60.
OPI Reply: Concur. See page 63.

SUMMARY OF RECOMMENDATIONS (Continued)

	<u>Page</u>
<u>Recommendation #7 (Continued)</u>	
B. Promptly record purchases and deletions in the property records.	11
Agency Reply: Concur. See page 60.	
OPI Reply: Concur. See page 63.	
C. Record capital leases in accordance with generally accepted accounting principles.	11
Agency Reply: Concur. See page 60.	
OPI Reply: Concur. See page 63.	
<u>Recommendation #8</u>	
The center correct the internal control weaknesses relating to resale cash receipts.	12
Agency Reply: Concur. See page 60.	
OPI Reply: Concur. See page 63.	
<u>Recommendation #9</u>	
The center:	
A. Monitor students satisfactory progress and revoke student aid awarded to students who are not maintaining the required progress level.	15
Agency Reply: Concur. See page 61.	
OPI Reply: Concur. See page 64.	
B. Establish a policy indicating the number of quarters a program lasts in order to set the number of quarters a student may receive aid.	15
Agency Reply: Concur. See page 61.	
OPI Reply: Partially concur. See page 65.	
C. Establish a policy to ensure that a student entering the center without a high school diploma or its equivalent has the ability to benefit before financial aid is disbursed to the student.	15
Agency Reply: Partially concur. See page 61.	
OPI Reply: Partially concur. See page 65.	

SUMMARY OF RECOMMENDATIONS (Continued)

Page

Recommendation #9 (Continued)

- D. Refund the \$1,284 disbursed to students who were not maintaining satisfactory progress. 15

Agency Reply: Do not concur. See page 61.
OPI Reply: Concur. See page 65.

Recommendations #10

The center:

- A. Submit amended FISAPS for 1981-82 and 1982-83 reporting the correct maintenance of level of effort information. 16

Agency Reply: Concur. See page 61.
OPI Reply: Concur. See page 63.

- B. Submit documentation to the federal government to ensure the established maintenance of level of effort is \$13,055. 16

Agency Reply: Concur. See page 61.
OPI Reply: Concur. See page 63.

- C. Match the required maintenance of level of effort. 16

Agency Reply: Concur. See page 61.
OPI Reply: Concur. See page 63.

Recommendation #11

The center submit corrected federal financial aid reports for fiscal years 1981-82 and 1982-83. 17

Agency Reply: Concur. See page 61.
OPI Reply: Concur. See page 63.

Recommendation #12

The center:

- A. Submit corrected final Pell progress reports for June 30, 1982 and June 30, 1983. 18

Agency Reply: Concur. See page 62.
OPI Reply: Concur. See page 63.

SUMMARY OF RECOMMENDATIONS (Continued)

	<u>Page</u>
<u>Recommendation #12 (Continued)</u>	
B. Submit the Pell progress reports in a timely manner.	18
Agency Reply: Concur. See page 62.	
OPI Reply: Concur. See page 63.	
<u>Recommendation #13</u>	
The center submit an amended June 30, 1983 EDPMTS report.	18
Agency Reply: Concur. See page 62.	
OPI Reply: Concur. See page 63.	
<u>Recommendation #14</u>	
The center calculate a student's cost of education based on the correct number of household members.	19
Agency Reply: Concur. See page 62.	
OPI Reply: Concur. See page 63.	
<u>Recommendation #15</u>	
The center:	
A. Refund the \$73 Pell award to the Department of Education.	19
Agency Reply: Concur. See page 62.	
OPI Reply: Concur. See page 63.	
B. Establish controls to ensure that student aid is not disbursed to students who are no longer enrolled.	19
Agency Reply: Concur. See page 62.	
OPI Reply: Concur. See page 63.	
<u>Recommendation #16</u>	
The center:	
A. Include scholarships when determining a student's financial need.	20
Agency Reply: Concur. See page 62.	
OPI Reply: Concur. See page 63.	

SUMMARY OF RECOMMENDATIONS (Continued)

Page

Recommendation #16 (Continued)

- B. Establish controls to ensure the financial aid director is aware of all scholarships received by students. 20

Agency Reply: Concur. See page 62.

OPI Reply: Concur. See page 63.

Recommendation #17

The center institute controls to ensure the communication system between the accounting function, the registrar and the financial aid office is adequate. 20

Agency Reply: Concur. See page 62.

OPI Reply: Concur. See page 63.

INTRODUCTION

We performed a financial compliance audit of the Helena Vocational-Technical Center for the two fiscal years ended June 30, 1983. Our audit objectives were to:

1. Present an opinion on the center's financial statements prepared in accordance with generally accepted accounting principles for the two fiscal years ended June 30, 1983;
2. Determine that the center complied with applicable state and federal laws and regulations;
3. Verify enrollment and student contact hours reported by the center; and
4. Make recommendations for improvement in the management and internal controls of the center.

In accordance with section 5-13-307, MCA, we analyzed the costs of implementing the recommendations made in this report. Each report section discloses the cost, if significant, of implementing the recommendation.

We thank the center's director, the superintendent of schools, the Office of Public Instruction, and their staffs for their cooperation and assistance during our audit.

OVERALL VO-TECH CONCERNS

During our audit of the vocational-technical centers we found issues which affect vocational-technical centers but are the responsibility of the Office of Public Instruction (OPI). These issues concern:

1. Compliance with the House Bill 2, Laws of 1981, Special Session 1, requirement that excess millage be reverted to the General Fund.
2. Compliance with section 17-2-108, MCA, that requires centers to spend non-general funds first.
3. Controls over contingency fund appropriations.

4. Compliance with the House Bill 2, Laws of 1981, Special Session 1, requirement that excess federal Vocational Education Basic Grant funds received be distributed to the centers.
5. Fund structures and accounts used by the centers and OPI.

These concerns are discussed in a report which is bound separately.

BACKGROUND

The Helena center was founded in 1939 when the Office of Public Instruction designated five centers for Montana. This designation was reaffirmed by the legislature in 1969 when the five centers were established by statute.

The center enrolled 814 students in fall quarter of 1981 and 805 students in fall quarter of 1982. The center currently offers instruction in thirteen major programs as follows:

1. Accounting/Bookkeeping
2. Agri-Diesel Mechanics
3. Automobile Mechanics
4. Aviation Maintenance Technician
5. Building Trades
6. Business Data Processing
7. Combination Welding
8. Consumer Electronics Technology
9. Industrial Electronics Technology
10. Machine Shop
11. Practical Nursing
12. Secretarial
13. Truck - Diesel Mechanics

STATE COMPLIANCE

We reviewed compliance with significant state laws that could have a material impact on the financial statement of the center. In our opinion, except for the instances of noncompliance discussed below, the center complied with state laws and regulations tested. Nothing came to our attention that causes us to believe untested compliance issues are not in accordance with applicable laws and regulations.

INDIRECT COSTS

The federal government recognizes and provides for reimbursements to state agencies for indirect costs incurred in the administration of federal grants. Section 17-3-111, MCA, and Management Memo 4-81-7 require each agency to negotiate agreements with the federal government to recover, to the fullest extent possible, the indirect costs of administering federal grants.

Statewide Cost Allocation Plan

Montana presents a Statewide Cost Allocation Plan (SWCAP) to the U.S. Department of Health and Human Services (HHS) annually. In this plan, the state discloses the distribution of costs incurred by administrative functions to the various state agencies. Once the plan is approved by HHS, agencies can charge the portion allocated to them as part of the indirect costs they incur in administering federal grants.

Recoveries of indirect costs are to be returned proportionately to the state General Fund and funds internal to the agency where the costs were incurred. SWCAP expenditures attributable to the center were \$15,558 in fiscal year 1982-83. The center had an approved indirect cost rate for the Adult Basic Education (ABE) grant. However, the center failed to include SWCAP costs in its proposal.

Unclaimed Administrative Costs

The center had an approved indirect cost rate of 2.6 percent of direct program costs for fiscal year 1982-83 on the ABE grant; however, the center did not collect the indirect costs on the grant. According to the grant director, the center preferred to spend the funds on direct program costs. The center should have recovered these indirect costs in accordance with the section 17-3-111, MCA.

The center received a Comprehensive Employment Training Act (CETA) grant which permitted indirect costs to be drawn if an approved indirect cost plan existed. The center did not negotiate

an indirect cost rate or recover indirect costs of administering the CETA grant as required by state law.

Incorrect Accounting

The center deposits indirect cost recoveries in the Restricted Fund. According to College and University Business Administration (CUBA) these moneys should be accounted for in the Unrestricted Fund because indirect costs are earned revenues which can be used for any state purpose. The center collected \$1,335 of indirect costs on the ABE grant in 1981-82 and student financial aid administration moneys of \$7,745 in 1981-82, and \$7,167 in 1982-83 which should have been placed in the Unrestricted Fund.

RECOMMENDATION #1

WE RECOMMEND THE CENTER:

- A. INCLUDE SWCAP COSTS IN ITS INDIRECT COST PROPOSALS.
- B. COMPLY WITH SECTION 17-3-111, MCA, AND CLAIM ALL POSSIBLE INDIRECT COSTS.
- C. ACCOUNT FOR THE INDIRECT COST RECOVERIES IN THE UNRESTRICTED FUND.

RESIDENCY REQUIREMENT

Payment of out-of-state tuition is dependent on whether the student applicant indicates he/she is an out-of-state student on the application. The center does not perform a review of supporting documentation to substantiate the application.

Specific criteria should be established to ensure accuracy of the number of non-resident students. The center could, for example, adopt an application similar to one used by the university system. This application includes such questions as where is your car licensed, where is your driver's license issued, and when and where did you file your latest state tax return. By asking these questions and reviewing the answers for reasonableness, the chance of having proper in-state and out-of-state classification is increased.

According to section 20-7-331, MCA, Montana residents are to be given priority over non-residents in case enrollment limitations are caused by resource limitations. The center did not retain waiting lists for the audit period; therefore, we were unable to determine if Montana residents were given priority over non-residents in curriculums which were full.

RECOMMENDATION #2

WE RECOMMEND THE CENTER:

- A. ESTABLISH A POLICY TO MORE THOROUGHLY DOCUMENT STUDENT RESIDENCY STATUS.
- B. MAINTAIN ADEQUATE DOCUMENTATION TO ENSURE MONTANA RESIDENTS ARE GIVEN PRIORITY OVER NON-RESIDENTS.

LEAVE POLICY

In addition to the statutory vacation and regular sick leave benefits, the center allows custodians and non-certified administration personnel to take ten days of emergency sick leave and secretarial and warehousemen to take seven days of emergency sick leave. Thirty-eight opinions of Attorney General, number 20, states non-teaching center employees are entitled to vacation and sick leave benefits under MCA Title 2, Chapter 18, part 6. This is the same leave granted to state employees and the law does not authorize additional emergency sick leave. The Attorney General's opinion further states, "these maximum and minimum benefits may not be varied through collective bargaining and negotiations."

RECOMMENDATION #3

WE RECOMMEND THE CENTER COMPLY WITH STATE LAW REGARDING LEAVE BENEFITS.

FLIGHT TRAINING

Inter-Entity Loan

The center owns a Cessna 150 airplane. During fiscal year 1981-82, the center used the airplane to give flying lessons to interested students. The fees collected from the students were intended to cover the expenses incurred to offer this service. However, the center incurred expenses of \$1,000 in excess of the revenue. The \$1,000 loss does not include expenses such as depreciation. The center loaned the Flight Training Program \$1,000 from the aircraft testing program to cover the loss. Section 17-2-107(2), MCA, states inter-entity loans must be repaid by fiscal year-end. In its inter-entity loan the center has essentially created a "permanent loan." There is no plan for repayment for this loan within a definite time period. The "loan" actually represents an operating transfer. As such, the center should request budget authority to transfer the funds.

Insurance

The center insured the plane with a private insurance company. An official from the Department of Administration, Insurance and Legal Division, reviewed the insurance policy and indicated that although the Helena school district is named as the insured, the state of Montana could be named as a secondary party in case of a lawsuit. The review indicated the following:

<u>Types of Coverage</u>	<u>Amount of Insured Liability</u>	<u>Adequate Insurance Coverage Per DoFA</u>
Bodily Injury Liability	\$100,000 each person	\$ 300,000 each person
Excluding Passengers	\$300,000 each occurrence	\$1,000,000 each occurrence
Passenger Bodily Injury Liability	Not covered	\$ 300,000 each person
Medical Payments		
Including Crew	Not covered	\$ 5,000 to \$10,000
Plane Coverage	\$ 4,000	\$ 6,000

To limit the risk of financial loss due to lawsuits the center should carry adequate insurance on the plane.

Program Approval

The center is providing flight training service although it has not been approved by the Office of Public Instruction (OPI). This service is not a part of the regular curriculum offered at the center. Center officials stated the service was originally established because the center felt students enrolled in the Aircraft Mechanics program should learn to fly aircraft; however, the service was completely optional to the students. In addition, it was offered to all interested individuals, not just aircraft mechanic students. Because of the possible liability discussed above, the center should obtain approval to offer such services.

RECOMMENDATION #4

WE RECOMMEND THE CENTER:

- A. ENSURE INTER-ENTITY LOANS ARE REPAYED BY FISCAL YEAR-END OR REQUEST BUDGET AUTHORITY TO TRANSFER FUNDS TO COVER THE FLIGHT TRAINING DEFICIT.
- B. MAINTAIN ADEQUATE INSURANCE COVERAGE FOR THE FLIGHT TRAINING PROGRAM.
- C. OBTAIN OPI APPROVAL TO PROVIDE THE FLIGHT TRAINING SERVICE.

BID PROCESS

Section 20-9-204, MCA, requires the center follow the purchasing requirements of the school district. Part (3) of this law requires items costing over \$4,000 be bid. The bids must be advertised in the newspaper and the school district must approve all bids. During the 1983 Legislative Session the legislature increased the limit to \$7,500 for fiscal years ending after June 30, 1983.

Four of the seven items tested with a cost over \$4,000 were not bid or approved by the school district. Two of the exceptions were for remodeling projects at center buildings which cost \$10,653 and \$19,422. Center officials stated they did not feel it was

necessary to bid these remodeling projects, as they considered them separate components costing under \$4,000. The center also paid \$7,866 to transport a plane used as a training aid to the center without obtaining bids. We also noted the center did not bid materials used on the trade houses totalling \$88,154 or the contracted services for the plumbing or heating, each exceeding \$4,000. School district purchasing officials indicated that since the center went on the statewide accounting system they must rely on the center to inform them of purchases over \$4,000. The center continues to violate state law, even though this issue has been reported in two prior audit reports.

RECOMMENDATION #5

WE RECOMMEND THE CENTER OBTAIN BIDS AND SCHOOL DISTRICT APPROVAL FOR ALL PURCHASES AS REQUIRED BY LAW.

REVENUE RECOGNITION

The center recorded federal revenues using the cash basis of accounting and recognized revenue at the time cash was received. According to generally accepted accounting principles and state accounting policy, federal grant revenues should be recognized at the time of making an expenditure since the expenditure of funds for a grant is the prime factor in recognizing grant revenue. Those amounts not received by the center by fiscal year-end should be accrued. When federal grant money is received in advance of anticipated expenditures any portion not earned as of fiscal year-end should be recorded as deferred revenue.

At fiscal year-end 1981-82 and 1982-83, the center should have deferred the recognition of \$7,284 and \$11,992 in revenue in its accounting records in the Current Restricted Fund until the next fiscal year since grant expenditures had not been made. The center should have accrued \$731 in fiscal year 1981-82 to recognize revenue where the center had not yet received reimbursement for grant expenditures incurred.

RECOMMENDATION #6

WE RECOMMEND THE CENTER RECORD REVENUE IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

INTERNAL CONTROL

We have examined the financial statements of the Helena Vocational-Technical Center for the two fiscal years ended June 30, 1982 and June 30, 1983. We issued our opinion dated November 18, 1983 on these statements. In addition, we examined the Application and Fiscal Operations Report (FISAP) (ED Form 646), Part IV - SEOG, and Part V - CWS; and the June 30, 1982 and 1983, Progress Report (ED Form 255-3), Section III, lines 19 through 21 - Pell Grants, of the center for the two years ended June 30, 1983. As part of our examination, we made a study and evaluation of the system of control of the center. Our study evaluated the system as required by generally accepted governmental auditing standards for financial and compliance audits. We classified the controls in the following categories:

1. revenue/receipts;
2. operating expenditures;
3. payroll;
4. accounts payable/interfund loans payable;
5. accounts receivable/interfund loans receivable;
6. plant, property, and equipment;
7. inventory;
8. cash;
9. contracts and grants; and
10. student financial aid.

Our study included the control categories listed above. Through our study, we determined the nature, timing, and extent of our auditing procedures. We applied alternative audit tests to cash, revenue/receipts, inventory, and accounts receivable because the audit could be performed more efficiently by expanding substantive audit work. We did not evaluate the control system to the extent

necessary to give an opinion on either individual segments or the system as a whole.

The management of the center is responsible for establishing and maintaining a system of accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable assurance that: (1) assets are safeguarded against loss from unauthorized use or disposition; (2) transactions are executed in accordance with management's authorization; and (3) transactions are recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Inherent limitations in any system of controls may cause errors or irregularities to remain undetected. The current system evaluation should not be used to project to future periods since the procedures may become inadequate or compliance with them may deteriorate.

The limited purpose study described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of controls used by the center. However, our study disclosed conditions that could result in financial statement errors that would be difficult to detect. These conditions relating plant, property and equipment and the resale operation are discussed on pages 11 and 12.

These conditions were considered in determining the nature, timing, and extent of the audit tests of the financial statements and this report does not affect our report on the financial statements dated November 18, 1983.

The preceding four paragraphs are intended solely for the use of management and the legislature and should not be used for any other purpose. This restriction as to use is not intended to limit the distribution of this document which, upon presentation to the Legislative Audit Committee, is a matter of public record.

PLANT, PROPERTY, AND EQUIPMENT

The center is not complying with state policy or federal regulations concerning equipment accounting and safeguards. Internal controls over center equipment are not adequate to ensure that equipment is safeguarded and properly accounted for on the property system. These weaknesses result in the property accounting records not providing reliable financial information. We noted the following problems concerning equipment:

1. Attachment N of OMB Circular A-110 requires federal equipment be specifically identified on the property system. The center has seven aircraft, two helicopters, and twenty engines which are federal excess property, but this information is not documented in the property system. Donated equipment should be recorded at fair market value at the date of acquisition. The center estimated the value of the unrecorded aircraft at \$140,616.
2. We tested five capital purchases during the two fiscal years and noted that four items had not been recorded on the property records. When equipment is purchased, it should be recorded on the property records.
3. We selected ten sample items recorded on the property system purchased prior to June 1981. Of the ten selected, we noted three items had been disposed. When equipment is disposed, the center should delete the item from the property records.
4. The center acquired \$59,501 of equipment and \$28,487 of land through capital leases that were not recorded on the property records. The center indicated they were not aware capital leases should be recorded on the property records.

RECOMMENDATION #7

WE RECOMMEND THE CENTER:

- A. COMPLY WITH FEDERAL REQUIREMENTS AND IDENTIFY FEDERAL EQUIPMENT IN THE PROPERTY RECORDS.
- B. PROMPTLY RECORD PURCHASES AND DELETIONS IN THE PROPERTY RECORDS.
- C. RECORD CAPITAL LEASES IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

RESALE OPERATION

We noted significant internal control weaknesses over the revenue collected for the truck and diesel and agriculture mechanic resale operations. Weaknesses noted were:

1. One individual is responsible for filling work orders, billing customers, receiving payment, and establishing accounts receivable. The center should segregate these functions.
2. The center should reconcile the revenue documented as being collected on the work orders to its accounting records. The center should designate an employee to reconcile work orders to the amount recorded as revenue on SBAS.
3. Prenumbered work orders are designed to be a control over the use of the work orders. Although the center uses prenumbered work orders, they could not account for all of them. The center stated the unaccounted for work orders had not been used in sequence in prior years. The center should use prenumbered work orders in sequence and should account for them.
4. A prenumbered receipt is not written for cash sales unless the purchaser requests it. A center employee accumulates sales on a list and makes one receipt for the sales. A receipt should be given to all customers.
5. Refunds to customers should be adequately documented. We noted two instances where disputes resulting in a customer refund were not adequately documented. The credits are given on subsequent work orders and not documented.

Due to these internal control weaknesses the system is not adequate to ensure this revenue is properly recorded and safeguarded.

RECOMMENDATION #8

WE RECOMMEND THE CENTER CORRECT THE INTERNAL CONTROL WEAKNESSES RELATING TO RESALE CASH RECEIPTS.

FEDERAL GRANTS

Introduction

Our audit of federal moneys was performed in accordance with the requirements in the U.S. Office of Management and Budget "Circular A-110" and the student aid audit guide prescribed by the U.S. Department of Education. Circular A-110 provides for audits of financial operations, including compliance with certain provisions of federal law and regulations.

Helena Vo-Tech Center was a grantee receiving federal funds from the federal agencies listed on pages 36 and 37. We reviewed the major compliance areas for the Adult Basic Education (ABE) grant, Comprehensive Employment and Training Act (CETA) grant, and Student Financial Aid programs. Areas reviewed included:

1. eligibility determination,
2. specific grant provisions,
3. cost allowability, and
4. grantor reports.

During our review, we noted compliance problems in property, plant, and equipment, and student financial aid discussed on pages 11 and 14 through 20. We questioned costs associated with student aid because of lack of satisfactory progress and ineligible recipients.

Based on our examination, we found that, for the items tested, the center complied with the material terms and conditions of the Department of Education award agreements and agreements with state agencies or organizations administering the Federal Guarantee Student Loan Program, except as described in the findings and recommendations sections of the report. Nothing came to our attention that causes us to believe untested compliance issues are not in accordance with applicable laws and regulations.

STUDENT FINANCIAL AID

Satisfactory Progress

The center's satisfactory progress policy requires students to maintain a "C" grade average in order to continue to receive financial aid. If a student drops below a "C" average, he/she will be placed on probation for one quarter. If their composite grade is still below a "C" average at the end of that grading period, financial aid will be withdrawn.

In testing a sample of 20 students for satisfactory progress we determined one student did not meet the center's standards. The center disbursed \$1,284 of student aid to the student after the student was no longer eligible by the school's own academic standards. The \$1,284 should be refunded to the federal government.

Federal regulations require institutions disbursing financial aid to establish a ceiling for the number of quarters a student receives aid. This requirement was established to ensure that even if students are maintaining adequate grades, they are also progressing towards their goal of graduation. During our audit period the center's satisfactory progress requirements did not include such a ceiling statement. The center should establish a written policy indicating the normal number of quarters a program lasts in order to set the number of quarters a student receives aid.

By state law, the center must admit interested Montana residents over the age of sixteen. Federal regulations require that in the absence of a General Education Development (GED) certificate or a high school diploma, the institution must ensure the student has the ability to benefit from the education or training offered. If a student does not have the "ability to benefit" federal financial aid is not to be given to the student. The center should establish a policy to ensure if a student tested grade level is below the standards of ability to benefit, the information is relayed to the financial aid offices. The student should not receive student aid until they have demonstrated they have the ability to benefit.

RECOMMENDATION #9

WE RECOMMEND THE CENTER:

- A. MONITOR STUDENTS SATISFACTORY PROGRESS AND REVOKE STUDENT AID AWARDED TO STUDENTS WHO ARE NOT MAINTAINING THE REQUIRED PROGRESS LEVEL.
- B. ESTABLISH A POLICY INDICATING THE NUMBER OF QUARTERS A PROGRAM LASTS IN ORDER TO SET THE NUMBER OF QUARTERS A STUDENT MAY RECEIVE AID.
- C. ESTABLISH A POLICY TO ENSURE THAT A STUDENT ENTERING THE CENTER WITHOUT A HIGH SCHOOL DIPLOMA OR ITS EQUIVALENT HAS THE ABILITY TO BENEFIT BEFORE FINANCIAL AID IS DISBURSED TO THE STUDENT.
- D. REFUND THE \$1,284 DISBURSED TO STUDENTS WHO WERE NOT MAINTAINING SATISFACTORY PROGRESS.

MAINTENANCE OF LEVEL OF EFFORT

Incorrect Reporting

The center reported maintenance of level of effort of \$5,464 on the 1981-82 Application and Fiscal Operations Report (FISAP) and \$8,799 on the 1982-83 FISAP. The correct amounts would be \$ 8,305 and \$10,384, respectively. The center should amend these amounts on the FISAP. The center also completed the maintenance of effort first time award information in error during fiscal year 1981-82. The center received campus based aid during previous years and is required to meet the maintenance of level of effort reported on the 1980-81 FISAP. The center should delete this information from the amended FISAP.

Incorrect Level

The center reported a maintenance of level of effort of \$13,969 on the 1980-81 FISAP. During a previous audit it was noted that the correct amount was \$13,055. The center was to

submit an amended FISAP; however, the center could not provide us with documentation showing the amended FISAP had been submitted.

Not Meeting the Maintenance of Effort

The center did not spend \$13,055 of institutional funds on student aid during either 1981-82 or 1982-83.

<u>Fiscal Year</u>	<u>Maintenance Level</u>	<u>Amount Spent</u>	<u>Under Match</u>
1981-82	\$13,055	\$ 8,305	\$4,750
1982-83	\$13,055	\$10,384	\$2,671

The financial aid officer indicated the decrease was due to the fact that the center no longer has a long term student loan program.

RECOMMENDATION #10

WE RECOMMEND THE CENTER:

- A. SUBMIT AMENDED FISAPS FOR 1981-82 AND 1982-83 REPORTING THE CORRECT MAINTENANCE OF LEVEL OF EFFORT INFORMATION.
- B. SUBMIT DOCUMENTATION TO THE FEDERAL GOVERNMENT TO ENSURE THE ESTABLISHED MAINTENANCE OF LEVEL OF EFFORT IS \$13,055.
- C. MATCH THE REQUIRED MAINTENANCE OF LEVEL OF EFFORT.

APPLICATION AND FISCAL OPERATIONS REPORT

The College Work Study authorization reported the 1982-83 Fiscal Operations Report was improperly reported as \$43,420 instead of \$46,420. This resulted from a typing error.

The total expended for state grants and scholarships reported on the 1982-83 FISAP was improperly reported as \$5,838 instead of \$7,276. The center was not able to determine the reason for the discrepancy.

As currently reported on the 1981-82 FISAP the center "over-spent" its CWS authorization by \$400. The over-expenditure can

be corrected by adjusting the amount of 1982-83 funds carried back and spent in 1981-82. This adjustment will require the center to submit an amended report.

<u>Report</u>	<u>Description</u>	<u>Reported Amount</u>	<u>Correct Amount</u>
FISAP 1981-82	1982-83 Funds Carried Back and Spent in 1981-82	\$3,679	\$4,079
FISAP 1982-83	1983-84 Funds Carried Back and Spent in 1982-83	1,409	1,809
FISAP 1982-83	1982-83 Funds Carried Back and Spent in 1981-82	3,679	4,079

RECOMMENDATION #11

WE RECOMMEND THE CENTER SUBMIT CORRECTED FEDERAL FINANCIAL AID REPORTS FOR FISCAL YEARS 1981-82 AND 1982-83.

PROGRESS REPORT

The center reported incorrect information on the part-time students for both fiscal years on the final Pell progress reports.

<u>Description</u>	<u>Reported</u>	<u>Correct Amount</u>
Part Time Students 1981-82	5	10
Part Time Students Expenditures	\$4,125	\$6,751
Part Time Students 1982-83	5	6
Part Time Students Expenditures	\$2,975	\$3,409

Center officials indicated the errors resulted from using the wrong computer report.

In reviewing the quarterly progress reports we noted three reports for fiscal year 1981-82 and two reports for fiscal year 1982-83 were submitted late. The center should ensure the reports are submitted within fifteen days of the end of each quarter.

RECOMMENDATION #12

WE RECOMMEND THE CENTER:

- A. SUBMIT CORRECTED FINAL PELL PROGRESS REPORTS FOR JUNE 30, 1982 AND JUNE 30, 1983.
- B. SUBMIT THE PELL PROGRESS REPORTS IN A TIMELY MANNER.

DEPARTMENT OF EDUCATION PAYMENT SYSTEM (EDPMTS) REPORT

During a federal program review of the student aid programs at the center it was noted that:

"Corrected Cumulative Expenditures' is being filled out to equal the preprinted Cumulative Expenditures. The corrected cumulative expenditure column should include only adjustments for disbursements made prior to the current quarterly reporting period."

The center submitted an amended June 30, 1983 EDPMTS Report to correct this error. However, the expenditures reported in Corrected Cumulative Expenditures for the Pell program are incorrect. The center did not include \$46,428 for one grant (identification code 82/E003237) on the June 30, 1983 EDPMTS report. The reported amount is \$78,920; the correct amount is \$125,348.

RECOMMENDATION #13

WE RECOMMEND THE CENTER SUBMIT AN AMENDED JUNE 30, 1983 EDPMTS REPORT.

COST OF EDUCATION

In three of the twenty student financial aid files reviewed the center used an incorrect cost of education. A student's cost of education varies based on the number of dependents. In all three cases the students' cost of education was based on an incorrect number of household members. If the proper cost of education had been used, the students' financial aid needs would have been greater.

RECOMMENDATION #14

WE RECOMMEND THE CENTER CALCULATE A STUDENT'S COST OF EDUCATION BASED ON THE CORRECT NUMBER OF HOUSEHOLD MEMBERS.

PAYMENTS TO NON-ENROLLED STUDENTS

We noted two instances, a Pell payment and a guaranteed student loan (GSL), where students received financial aid after they were no longer enrolled at the center. Federal regulations state a student is not eligible to receive financial aid unless they are enrolled at least half-time. The center should refund the Pell award of \$73 to the Department of Education. Center officials indicated that the payments were made because the financial aid director was not informed the students had withdrawn. The center should establish controls to ensure the financial aid director is informed of all withdrawals.

RECOMMENDATION #15

WE RECOMMEND THE CENTER:

- A. REFUND THE \$73 PELL AWARD TO THE DEPARTMENT OF EDUCATION.
- B. ESTABLISH CONTROLS TO ENSURE THAT STUDENT AID IS NOT DISBURSED TO STUDENTS WHO ARE NO LONGER ENROLLED.

SCHOLARSHIPS

We noted two instances where students received scholarships which were not included in their needs analysis. Federal regulations require that scholarships be included as part of a student's contribution when determining financial need. Although neither instance resulted in an overaward, the possibility exists for over-awards to be made. The financial aid officer should be made aware of all scholarships administered by the school so that the scholarship can be included on the needs analysis.

RECOMMENDATION #16

WE RECOMMEND THE CENTER:

- A. INCLUDE SCHOLARSHIPS WHEN DETERMINING A STUDENT'S FINANCIAL NEED.
- B. ESTABLISH CONTROLS TO ENSURE THE FINANCIAL AID DIRECTOR IS AWARE OF ALL SCHOLARSHIPS RECEIVED BY STUDENTS.

CENTER COMMUNICATION

Federal regulations require that there be a system to ensure adequate information is exchanged between the financial aid office, the registrar, and the accounting personnel. Because of the problems noted in the previous sections we believe the center communication system is not adequate. The center should institute controls to ensure the communication system functions properly.

RECOMMENDATION #17

WE RECOMMEND THE CENTER INSTITUTE CONTROLS TO ENSURE THE COMMUNICATION SYSTEM BETWEEN THE ACCOUNTING FUNCTION, THE REGISTRAR AND THE FINANCIAL AID OFFICE IS ADEQUATE.

PRIOR AUDIT RECOMMENDATIONS

Our last financial/compliance audit and student financial aid audit of the center for the two fiscal years ended June 30, 1981 contained twenty-seven recommendations applicable to the center. The center has implemented thirteen of the recommendations, partially implemented three of the recommendations, not implemented nine of the recommendations and two recommendations are no longer applicable.

Six recommendations which the center did not implement, or for which it has not taken adequate corrective action, concern spending non-General Funds first and fund structure (bound in a separate report); revenue recognition (page 8); bid process

(page 7); satisfactory progress (page 14); and residency requirements (page 4). The remaining three recommendations were deemed not to have a significant effect on the successful operation of the center and are not specifically included in the report, but have been discussed with management.

AUDITOR'S REPORT AND AGENCY FINANCIAL STATEMENTS

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122



ROBERT R. RINGWOOD
LEGISLATIVE AUDITOR

DEPUTY LEGISLATIVE AUDITORS:

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PERFORMANCE AUDITS

STAFF LEGAL COUNSEL

JOHN W. NORTHEY

The Legislative Audit Committee
of the Montana State Legislature:

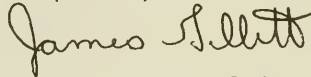
We have examined the accompanying balance sheet of Helena Vocational-Technical Center at June 30, 1983, and the related Statements of Changes in Fund Balances and Current Funds Revenues, Expenditures, and Other Changes for each of the two fiscal years ended June 30, 1983. Except as set forth in paragraph two, our examination was made in accordance with generally accepted governmental auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The center did not have records adequate to allow preparation of a Statement of Changes in Fund Balance for the Net Investment in Plant Fund, as required by generally accepted accounting principles. Also, the center's procedures for recording equipment were not adequate to detect or prevent significant errors recorded on its financial records. It was impractical for us to apply adequate alternative test procedures to the equipment in the Plant Fund.

In our opinion, except for the effects of the items discussed in paragraph two, the financial statements referred to above present fairly the financial position of Helena Vocational-Technical Center as of June 30, 1983, and the changes in fund balances and the current funds revenues, expenditures, and other changes for each of the two years then ended, in conformity with generally accepted accounting principles which, except for the reclassification of funds discussed in Note 9, with which we concur, and the change in recording of compensated absences discussed in Note 1, with which we concur, have been applied on a consistent basis.

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Full-Time Equivalent (FTEs) Students, the Schedule of Grants, and Student Financial Aid Federal Reports are presented for the purpose of additional analysis and the U.S. Department of Education reporting requirements and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements, and, in our opinion, except for items discussed in paragraph two, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

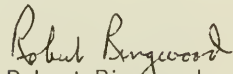
Respectfully submitted,



James H. Gillett, CPA
Deputy Legislative Auditor

November 18, 1983

Approved:



Robert Ringwood
Legislative Auditor

HELENA VOCATIONAL-TECHNICAL COLLEGE

STATEMENT OF FINANCIAL POSITION

JUNE 30, 1981

	Unrestricted	Designated	Auxiliary	Restricted	Endowments	Agency Funds	Plant Funds
ASSETS							
Cash	\$179,264	\$ 27,866	\$10,286	\$48,301	\$6,344	\$11,320	\$15,838
Accounts Receivable	88,004	5,794	1,873	2,137			812
Inter-Entity Loans Receivable	1,443			1,000			
Deferred Charge	7,791						
Merchandise Inventory		101,254	29,892				
Student Loans					589		
Investment in Plant:							
Land							\$ 205,309
Building							2,795,550
Equipment							930,556
Total Assets	<u>\$276,502</u>	<u>\$134,914</u>	<u>\$42,051</u>	<u>\$51,438</u>	<u>\$6,933</u>	<u>\$11,320</u>	<u>\$3,931,415</u>
LIABILITIES & FUND BALANCES							
Accounts Payable	\$325,860	\$ 5,337	\$ 1,033	\$37,376		\$ 1,909	\$ 21,365
Accrued Expenditures	36,858	581		3,847		2,189	
Receipts Collected in Advance	8,938			21,797			
Inter-Entity Loans Payable		1,000					
Due to Federal Government						1,496	
Due to Local Government		25,000					
Assets Held in Trust for Others						11,056	
Fund Balance	(95,154)	102,996	41,018	(11,582)	6,933	11,320	3,910,050
Net Investment in Plant							
Total Liabilities and Fund Balances	<u>\$276,502</u>	<u>\$134,914</u>	<u>\$42,051</u>	<u>\$51,438</u>	<u>\$6,933</u>	<u>\$11,320</u>	<u>\$3,931,415</u>

See accompanying Notes to the Financial Statements.

HELENA VOCATIONAL-TECHNICAL CENTER
STATEMENT OF CHANGES IN FUND BALANCES
FISCAL YEAR ENDED JUNE 30, 1983

	CURRENT FUNDS				LOAN FUND	ENDOWMENT FUND
	Unrestricted	Designated	Auxiliary	Restricted		
REVENUES AND OTHER ADDITIONS:						
Current Fund Revenues	\$2,136,358	\$209,990	\$228,918	\$390,944	\$ 299	
Interest Income						
Expended for Equipment & Land						
Total Revenues & Other Additions	<u>2,136,358</u>	<u>209,990</u>	<u>228,918</u>	<u>390,944</u>	<u>299</u>	<u>-0-</u>
EXPENDITURES AND OTHER DEDUCTIONS:						
Current Fund Expenditures	2,145,216	173,563	219,373	386,773	200	
Indirect Costs Recovered						
Total Expenditures & Other Deductions	<u>2,145,216</u>	<u>173,563</u>	<u>219,373</u>	<u>386,773</u>	<u>200</u>	<u>-0-</u>
Net Change in Fund Balance	(8,858)	36,427	9,545	2,171	99	-0-
Beginning Fund Balance	(78,406)	72,353	30,275	(4,261)	6,810	11,320
Fund Reclassifications	6,822	-0-	-0-	(6,822)	-0-	-0-
Prior Year Adjustments	<u>(14,710)</u>	<u>(5,784)</u>	<u>1,198</u>	<u>(2,670)</u>	<u>24</u>	<u>-0-</u>
Adjusted Beginning Fund Balance	<u>(86,296)</u>	<u>66,569</u>	<u>31,473</u>	<u>(13,753)</u>	<u>6,834</u>	<u>11,320</u>
Ending Fund Balance	<u>\$ (95,154)</u>	<u>\$102,996</u>	<u>\$ 41,018</u>	<u>\$ (11,582)</u>	<u>\$6,933</u>	<u>\$11,320</u>

See accompanying Notes to the Financial Statements

WFLA VOCATIONAL-TECHNICAL CENTER
STATEMENT OF CHANGES IN FUND BALANCES
FISCAL YEAR ENDED JUNE 30, 1982

	<u>CURRENT FUNDS</u>				<u>LOAN FUND</u>	<u>ENDOWMENT FUND</u>
	<u>Unrestricted</u>	<u>Designated</u>	<u>Auxiliary</u>	<u>Restricted</u>		
REVENUES AND OTHER ADDITIONS:						
Current Fund Revenues	\$1,856,145	\$293,126	\$202,741	\$454,139		\$11,320
Private Contributions						
Interest Income					\$ 113	
Total Revenues & Other Additions	<u>1,856,145</u>	<u>293,126</u>	<u>202,741</u>	<u>454,139</u>	<u>113</u>	<u>11,320</u>
EXPENDITURES AND OTHER DEDUCTIONS:						
Current Fund Expenditures	<u>1,863,691</u>	<u>302,517</u>	<u>198,039</u>	<u>435,397</u>	<u>-0-</u>	<u>-0-</u>
Total Expenditures & Other Deductions	<u>1,863,691</u>	<u>302,517</u>	<u>198,039</u>	<u>435,397</u>	<u>-0-</u>	<u>-0-</u>
Net Change in Fund Balance	(7,546)	(9,391)	4,702	18,742	113	11,320
Beginning Fund Balance	33,882	98,799	24,852	14,929	-0-	-0-
Fund Reclassifications	261	(2,324)	2,646	(4,354)	3,771	-0-
Prior Year Adjustments	<u>(105,005)</u>	<u>(14,731)</u>	<u>(1,925)</u>	<u>(33,578)</u>	<u>2,926</u>	<u>-0-</u>
Adjusted Beginning Fund Balance	<u>(70,862)</u>	<u>81,744</u>	<u>25,573</u>	<u>(23,003)</u>	<u>6,697</u>	<u>-0-</u>
Ending Fund Balance	<u>\$ (78,408)</u>	<u>\$ 72,353</u>	<u>\$ 30,275</u>	<u>\$ (4,261)</u>	<u>\$6,810</u>	<u>\$11,320</u>

See accompanying Notes to the Financial Statements

HELENA VOCATIONAL-TECHNICAL CENTER
STATEMENT OF CURRENT FUND REVENUES,
EXPENDITURES, AND OTHER CHANGES
FISCAL YEAR ENDED JUNE 30, 1983

	<u>Unrestricted</u>	<u>Designated</u>	<u>Auxiliary</u>	<u>Restricted</u>
<u>REVENUES</u>				
Tuition & Millage	\$ 398,822			
Federal Appropriation	238,111			
State Appropriation	1,394,168			
Local Appropriation	98,000			
Federal Grants & Contracts	4,300			\$348,598
State Grants & Contracts				16,171
Local Grants & Contracts	2,867			16,512
Private Gifts & Contracts				987
Sales & Srv. of Educ. Act.		\$184,974		
Sales & Srv. of Aux. Ent.			\$228,918	
Other Revenues	90	25,016		6,505
Totals	<u>2,136,358</u>	<u>209,990</u>	<u>228,918</u>	<u>388,773</u>
<u>EXPENDITURES AND MANDATORY</u>				
<u>TRANSFERS</u>				
Education & General				
Instruction	1,538,320	168,464		200,298
Student Services	122,632	5,099		1,667
Institutional Support	174,745			2,612
Plant Operations and Maintenance	309,519			8,768
Scholarships & Fellowships				150,388
Auxiliary Enterprises			219,373	
Non-Educational Operations				25,040
Totals	<u>2,145,216</u>	<u>173,563</u>	<u>219,373</u>	<u>388,773</u>
<u>OTHER TRANSFERS AND</u>				
<u>ADDITIONS/DEDUCTIONS</u>				
Excess of Restricted Receipts				2,171
Net Change in Fund Balance	<u>\$ (8,858)</u>	<u>\$ 36,427</u>	<u>\$ 9,545</u>	<u>\$ 2,171</u>

See accompanying Notes to the Financial Statements

HELENA VOCATIONAL-TECHNICAL CENTER
STATEMENT OF CURRENT FUND REVENUES,
EXPENDITURES, AND OTHER CHANGES
FISCAL YEAR ENDED JUNE 30, 1982

	<u>Unrestricted</u>	<u>Designated</u>	<u>Auxiliary</u>	<u>Restricted</u>
<u>REVENUES</u>				
Tuition & Millage	\$ 315,029			
Federal Appropriation	298,800			
State Appropriation	1,153,166			
Local Appropriation	89,000			
Federal Grants & Contracts				\$390,914
State Grants & Contracts				18,146
Local Grants & Contracts				14,408
Private Gifts & Contracts				6,585
Sales & Srv. of Educ. Act.		\$289,483		
Sales & Srv. of Aux. Ent.			\$202,741	
Other Revenues	150	3,643		5,344
Totals	<u>1,856,145</u>	<u>293,126</u>	<u>202,741</u>	<u>435,397</u>
<u>EXPENDITURES AND MANDATORY TRANSFERS</u>				
Education & General				
Instruction	1,321,855	302,517		194,714
Student Services	102,429			6,566
Institutional Support	167,752			31,773
Plant Operations and Maintenance	271,655			16,749
Scholarships & Fellowships				143,375
Auxiliary Enterprises			198,039	
Non-Educational Operations				42,220
Totals	<u>1,863,691</u>	<u>302,517</u>	<u>198,039</u>	<u>435,397</u>
<u>OTHER TRANSFERS AND ADDITIONS/DEDUCTIONS</u>				
Excess of Restricted Receipts				18,742
Net Change in Fund Balance	<u>\$ (7,546)</u>	<u>\$ (9,391)</u>	<u>\$ 4,702</u>	<u>\$ 18,742</u>

See accompanying Notes to the Financial Statements

HELENA VOCATIONAL-TECHNICAL CENTER

Notes to the Financial Statements

Fiscal Year Ended June 30, 1983

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preceding financial statements were prepared from the Statewide Budgeting and Accounting System (SBAS) with adjustments.

Basis of Accounting

The financial statements are prepared on the full accrual basis of accounting. Under the full accrual basis of accounting, expenditures are recorded when materials or services are received and revenues are recorded when earned. Revenues and expenditures of an academic term that encompass parts of two fiscal years, such as a summer session, should be reported totally within the fiscal year in which the program is predominantly conducted.

Fund Accounting System

The State of Montana accounts are organized utilizing a fund structure outlined in section 17-2-102, MCA. For financial presentation, these funds have been classified in accordance with generally accepted accounting principles.

-CURRENT FUNDS-

Includes economic resources expendable for instruction, research, public service, and the allied support programs which are not restricted by external sources or designated by the governing board for other than operating purposes. Sub-groups of the current funds group are as follows:

Unrestricted - funds received for which no stipulation was made by the donor or other external agency as to the purposes for which they should be expended.

Designated - accumulates costs that are subsequently recharged or allocated in total to other sub-funds and the resultant income;

identifies financial activities related to special organized activities of educational programs wherein they are fully supported by supplemental assessments, and tracks special supplies and facilities fees that are approved for collection beyond normal course fees.

Auxiliary - exists to furnish goods or services to students, faculty, or staff through a fee charged for the cost, although not necessarily equal to the cost of the goods or services. The revenues are derived directly from the operation of the auxiliary enterprise itself.

Restricted - funds available for financing operations which are limited by donors and other external agencies to specific purposes, programs, departments, or schools.

-AGENCY FUNDS-

Includes resources held by the institution as custodian or fiscal agent for individual students, faculty, staff members, and organizations.

-PLANT FUNDS-

Includes funds expended for institution properties for the current and prior periods.

-LOAN FUNDS-

Funds made available from gifts, which are loaned to students and are operated on a revolving basis. The principal and the interest repaid are available for re-lending.

-ENDOWMENT FUNDS-

Donated funds which are invested in an interest bearing account utilizing only the interest for scholarships to students.

Inventories

Assets are normally not recorded for supplies inventory, but are expensed at the time of acquisition.

Merchandise inventory, which consists of the bookstore items, is valued at FIFO. The remaining inventory consist of the expenditures of unsold trade houses.

Accounts Receivable

Based on past experience of collectibility, the accounts receivable balance shown on the accompanying balance sheet does not include an allowance for doubtful accounts.

Vacation and Sick Leave

Classified or support and administrative employees are allowed to accumulate and carry over into 90 days of a new calendar year a maximum of two times their annual accumulation of vacation.

Upon termination, qualifying classified employees having unused accumulated vacation and sick leave are paid 100 percent for vacation and 25 percent for sick leave. Teacher/administrative employees receive lump sum payments in accordance with contract provisions and teachers must be employed for more than ten years in order to receive one-quarter payment for their unused sick leave. The value of these accumulations was \$137,971 at June 30, 1983. As a result of showing this liability, Unrestricted Fund balance is negative at June 30, 1983.

2. EMPLOYEES' RETIREMENT SYSTEMS

The center's employees are covered by the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS). Currently the state contributes 6.417 percent and 7.32 percent of an employees' gross wage to PERS and TRS, respectively. The employee contributes 6 percent and 7.044 percent, respectively. Total pension contributions incurred by the center during fiscal year 1982-83 were \$11,360 to PERS and \$70,036 to TRS.

The state's policy is to fund accrued pension costs. At June 30, 1982, the Public Employees' Retirement System was actuarially sound, while the Teachers' Retirement System was actuarially sound at June 30, 1983. The unfunded past service costs

and the actuarially computed value of vested benefits were not readily available for members of the plans employed by the center.

3. BUILDINGS AND LAND

The school district purchased the center's land, and a portion of their buildings. The buildings were financed with state and federal funds and a local school district bond issue for a total facility construction cost, including land, of \$2,965,250. Additional land was purchased adjacent to the Poplar Street facility, whereby a minimum of 50 percent of the purchase price of \$36,321.18 must be paid from appropriated Helena Vocational-Technical Center funds and the balance by Helena School District No. 1.

Insurance for the plant is covered under a blanket policy for Helena School District No. 1 in the value of \$4,840,375.

4. BUDGETARY REPORTING

The annual appropriations process for planning and controlling financial operations is set for each fiscal year of the biennium by the legislature. At the end of each fiscal year the center's appropriations revert to the fund of original appropriation and may be spent for valid prior year obligations.

Budget amendments may be obtained to spend funds that were not available for consideration by the legislature but have become available from sources other than the state's General Fund or Earmarked Revenue Fund.

Appropriations of the center were established within the following areas:

1. Personal Services
2. Operations
3. Capital Expenditures

5. ACCOUNTING CHANGE

Two funds have been added to the Helena Vocational-Technical Center accounting system - the Loan Fund and the Endowment Fund. Both are explained in part 1 of these notes.

6. LEASES

The center had lease rentals for leased facilities and equipment in fiscal year 1982-83. These rentals are recorded as expenditures over the lease term as they become payable. Commitments under these lease agreements, classified as operating leases, provide for the following minimum lease payments:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
1984	\$12,500
1985	13,000
1986	13,500
1987	14,000
1988	14,500
	<u>\$67,500</u>

The following is a schedule, by year, of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 1983:

<u>Year Ending June 30</u>	<u>Amount</u>
1984	\$12,315
1985	8,689
1986	7,905
Total Minimum Lease Payments	<u>\$28,909</u>
Less: Amount Representing Interest	<u>(6,123)</u>
Present Value of Net Minimum Lease Payments	<u>\$22,786</u>

7. INSTALLMENT PURCHASES

Helena Vocational-Technical Center has a number of installment purchases of capital equipment for the coming years. Following is a schedule by year:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
1984	\$46,627
1985	9,457
1986	7,978
1987	4,018
1988	4,018
Total	<u>\$72,098</u>
Less: Amount Representing Interest	<u>(7,671)</u>
Value of Net Payments	<u>\$64,427</u>

8. MAJOR PLANT OBLIGATION

Due to a federal requirement, the Helena Vocational-Technical Center is required to make its facility accessible for handicapped individuals. In addition to a number of minor renovations, it is necessary to install an elevator in the Roberts Street facility. Total cost of this project is estimated at \$114,000 and should be completed in fiscal year 1984. Of this cost, an agreement with the federal government, through the Office of Public Instruction, was reached whereby 50 percent of the cost would be funded by a special federal grant and 50 percent by the Helena Vocational-Technical Center in conjunction with Helena School District No. 1.

9. FUND RECLASSIFICATIONS

Several fund reclassifications were made on the financial statements for fiscal year 1982 and 1983.

<u>Fund Description</u>	<u>Old Fund</u>	<u>New Fund</u>	<u>FY 82 Fund Balance Change</u>
Pell Grants	Agency	Restricted	644
Obsolete Equipment	Restricted	Designated	899
Flight Training	Restricted	Designated	(721)
G.E.D.	Restricted	Designated	144
Supplemental Fees	Designated	Auxiliary	2,646
Off-Campus CWS	Restricted	Agency	-0-
Building CWS	Restricted	Unrestricted	261
Student Loans	Restricted	Loan	3,771
Endowments	Restricted	Endowment	-0-
Student Aid Administration (only in FY 83)	Restricted	Unrestricted	6,822

The reason for these fund reclassifications is so that each fund could be more appropriately and correctly classified.

10. CASH ADJUSTMENTS

The financial statements reflect a \$86,584 fiscal year 1982 and \$72,606 fiscal year 1983 adjustment in fund balance and cash. Since Helena Vocational-Technical Center is a sub-agency to the

Office of Public Instruction, this cash was transferred at fiscal year-end, thereby incorrectly presenting Helena Vocational-Technical Center's financial position at fiscal year-end.

HELENA VOCATIONAL-TECHNICAL CENTER
SCHEDULE OF GRANTS AND SUBGRANT RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 1983

<u>Grant Source, Name and Number</u>	<u>Receipts</u>	<u>Expenditures</u>
A. Direct Grants		
Office of Education - Department of Health and Human Services		
Library Grant		
Grant #G008251310	\$ 840	\$ 1,072
Pell Grant	133,084	133,084
College Work Study	46,420	46,420
Supplemental Education Opportunity Grant	10,999	10,999
B. Subgrants		
Department of Labor and Industry		
CETA/CEP		
Grant #93142-001	39,614	43,726
Grant #3111	81,217	81,536
	<u>120,831</u>	<u>125,262</u>
Office of Public Instruction		
Basic Vocational Education Act		
Grant	238,111	238,111
Federal Adult Basic Education		
Project #83-56-6102-0131	36,362	36,362
Local Match	11,799	11,799
Subtotal	<u>48,161</u>	<u>48,161</u>
State Adult Basic Education		
Project #83-56-6102-0051S	17,003	17,003
Local Match	2,696	2,696
Subtotal	<u>19,699</u>	<u>19,699</u>
Computerized Student Follow-up Service		
Project		
Project #83-6102-06-21-17-G712	4,420	-0-
Career Information Dissemination Project		
Project #84-6102-21-17-G716	6,848	1,667
Association of Diesel Specialist Seminar		
Project #83-6102-05-24-27-T846	800	-0-
Commissioner of Higher Education		
Student Incentive Grant	6,976	6,976
TOTAL	<u>\$637,189</u>	<u>\$631,451</u>

HELENA VOCATIONAL-TECHNICAL CENTER
SCHEDULE OF GRANTS AND SUBGRANT RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

<u>Grant Source, Name and Number</u>	<u>Receipts</u>	<u>Expenditures</u>
A. Direct Grants		
Office of Education - Department of Health and Human Services		
Library Grant	\$ 1,200	\$ 2,587
Grant #G008151343		
Pell Grant	125,432	125,432
College Work Study	48,976	48,976
Supplemental Education Opportunity Grant	17,130	16,973
B. Subgrants		
Department of Labor and Industry		
CETA/CEP		
Grant #93142-001	113,961	102,888
Grant #93140-001	35,650	30,547
	<u>149,611</u>	<u>133,435</u>
Office of Public Instruction		
Basic Vocational Education Act	298,800	298,800
Grant #120		
Federal Adult Basic Education		
Project #82-56-6102-0093	45,846	45,246
Local Match	8,083	8,083
Subtotal	<u>53,929</u>	<u>53,329</u>
State Adult Basic Education		
Project #82-56-6102-0040S	13,200	13,200
Local Match	2,000	1,950
Subtotal	<u>15,200</u>	<u>15,150</u>
Adult Basic Education - External		
Diploma Project		
Project #82-56-6102-040SP	13,500	11,648
Local Match	1,500	1,294
Subtotal	<u>15,000</u>	<u>12,942</u>
Commissioner of Higher Education		
Student Incentive Grant	5,407	5,407
TOTALS	<u><u>\$730,685</u></u>	<u><u>\$713,031</u></u>

HELENA VOCATIONAL-TECHNICAL CENTER
SCHEDULE OF FULL-TIME EQUIVALENT (FTE) STUDENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1983

<u>Quarter</u>	<u>Year</u>	<u>Number of¹ Students</u>	<u>Reported Contact Hours</u>	<u>Calculated FTEs²</u>
Summer	1982	98	25,299	101
Fall	1982	805	240,100	961
Winter	1983	753	198,577	795
Spring	1983	723	192,080	769

¹ Includes full-time and part-time students.

² This is the reported student contact hours divided by 250 contact hours as required by Section 10.41.101 ARM.

HELENA VOCATIONAL-TECHNICAL CENTER
SCHEDULE OF FULL-TIME EQUIVALENT (FTE) STUDENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

<u>Quarter</u>	<u>Year</u>	<u>Number of¹ Students</u>	<u>Reported Contact Hours</u>	<u>Calculated FTEs²</u>
Summer	1981	100	26,108	105
Fall	1981	814	236,436	946
Winter	1982	709	211,698	847
Spring	1982	706	203,148	813

¹ Includes full-time and part-time students.

² This is the reported student contact hours divided by 250 contact hours as required by Section 10.41.101 ARM.

Application and Fiscal Operations Report (FISAP)

Expires 7/31/84

Award Period July 1, 1984 - June 30, 1985

Part I. Identifying Information, Certifications and Warning

Section A. Identifying Information

1. Name and Address of Institution

Helena Vocational Technical Center
1115 North Roberts
Helena, MT 59601

2. Serial No. 2419

(4 digits)

3. Entity No. 1-81-6000-557A-1

(11 digits)

Branch Campuses

If there is not enough space here to list all of your branch campuses which will be funded under this application, attach a list on a separate sheet of paper.

I have attached a separate list of branch campuses.

☐ Yes

☒ No

a.

b.

c.

d.

4. Type of Institution ("X" one)

☐ 4.1 Public

☐ 4.2 Private/Non-Profit

☐ 4.3 Proprietary

☒ 4.4 Postsecondary Vocational

5. Length/Type of Program ("X" one)

☐ 5.1 Less than 1 year

☐ 5.2 1 year but less than 2 years

☒ 5.3 2 years but less than 3 years

☐ 5.4 3 years but less than 4 years

☐ 5.5 4 years (Baccalaureate Degree granting only)

☐ 5.6 5 years or more

☐ 5.7 Postbaccalaureate only

Section B. Certifications and Warning

We certify that the information contained in this form is true and accurate to the best of our knowledge. We understand that the information is subject to audit and program review by representatives of the Secretary of Education.

6. President of Institution

Signature Alex Capdeville

Typed name Dr. Alex Capdeville, Ph.D

Date signed September 28, 1983

Telephone no. (406) 442-0060
area code - number - extension

7. Financial Aid Administrator

Signature C. B. Stalnaker

Typed name C. B. Stalnaker

Date signed September 28, 1983

Telephone no. (406) 442-0060 ext. 42
area code - number - extension

8. Chief Fiscal Officer

Signature Charles W. Wetterling

Typed name Charles W. Wetterling

Date signed September 28, 1983

Telephone no. (406) 442-0060 ext. 32
area code - number - extension

WARNING: Any person who knowingly provides false or misleading information on this form will be subject to a fine of up to \$10,000 or to imprisonment of up to 5 years or to both under provisions of the United States Criminal Code Title 18 Section 1001.

Application and Fiscal Operations Report (FISAP)

Name of Institution and State Helena Vocational Technical Ctr Serial Number 2419 Entity Number 1 816 000 557 A1

Part II. Application to Participate - For Award Year July 1, 1984 Through June 30, 1985

Section A. Request for Funds for the 1984-85 Award Year

1. NDSL Level of Expenditures \$ N/A
2. NDSL Federal Capital Contribution \$ N/A
3. SEOG Initial Year (IY) \$ 10,000
4. SEOG Continuing Year (CY) \$ 5,000
5. CWS Federal Funds \$ 75,000

Section B. CWS Institutional Match Waiver Request

(Applies only to certain schools, see instructions)

6. Do you wish to apply as an institution designated as eligible for Title III?

☐ Yes

☒ No

7. Do you wish to apply as an institution where 50% or more of its students have parents whose adjusted gross income is less than \$7,500 per year?

☐ Yes

☒ No

Section C. Request for Special CWS Funds for Students from Trust Territory/American Samoa

(Applies only to schools with students from certain areas, see instructions)

Number of students to be employed	Estimated average earnings per student (Federal & institutional shares)	Estimated Total earnings (a x b)	Federal share (Not to exceed 80% of column c)	Administrative cost allowance	Total Request (d + e)
8. a. # _____	b. \$ _____	c. \$ _____	d. \$ _____	e. \$ _____	f. \$ _____

Section D. Maintenance of Effort

Institutions that participated in SEOG and/or CWS in Award Year 1982-1983, complete line 9.

9. Institutional Expenditures July 1, 1982-June 30, 1983 \$ 8,799

Institutions that received SEOG and/or CWS funds for the first time in Award Year 1983-84, complete lines 10-14.

10. July 1, 1980-June 30, 1981 Expenditures \$ _____
11. July 1, 1981-June 30, 1982 Expenditures \$ _____
12. July 1, 1982-June 30, 1983 Expenditures \$ _____
13. TOTAL EXPENDITURES \$ _____
14. 3-Year Average \$ _____

Name of Institution and State Helena Vo Tech CenterSerial Number 2419Entity Number 1 816 000 557 A1**Section E. Assessments and Expenditures**

	(a) Undergraduate	(b) Graduate/Professional
15. Total tuition and fees for the Award Year July 1, 1982-June 30, 1983	\$ <u>313,233</u>	\$ _____
16. Total expended to fund Pell recipients for the 1982-83 Pell Grant Award Year	\$ <u>133,084</u>	_____
17. Total expended for State grants and scholarships made to undergraduates for the Award Year July 1, 1982 to June 30, 1983	\$ <u>5,838</u>	_____
18. Total expended for institutionally administered grants and scholarships made to undergraduates for the Award Year <u>JULY 1, 1977 to JUNE 30, 1978</u>	\$ <u>500</u>	_____

Section F. Information on Eligible Aid Applicants for Award Year 1982-83

	DEPENDENT			INDEPENDENT	
	Undergraduate (a)	Graduate/Professional (b)		Undergraduate (c)	Graduate/Professional (d)
19. \$ 0 - \$ 2,999	<u>24</u>	_____	\$ 0 - \$ 999	<u>27</u>	_____
20. 3,000 - 5,999	<u>9</u>	_____	1,000 - 1,999	<u>12</u>	_____
21. 6,000 - 8,999	<u>12</u>	_____	2,000 - 2,999	<u>14</u>	_____
22. 9,000 - 11,999	<u>10</u>	_____	3,000 - 3,999	<u>15</u>	_____
23. 12,000 - 14,999	<u>7</u>	_____	4,000 - 4,999	<u>11</u>	_____
24. 15,000 - 17,999	<u>16</u>	_____	5,000 - 5,999	<u>11</u>	_____
25. 18,000 - 20,999	<u>10</u>	_____	6,000 - 6,999	<u>13</u>	_____
26. 21,000 - 23,999	<u>9</u>	_____	7,000 - 7,999	<u>5</u>	_____
27. 24,000 - 26,999	<u>9</u>	_____	8,000 - 8,999	<u>4</u>	_____
28. 27,000 - 29,999	<u>7</u>	_____	9,000 - 9,999	<u>8</u>	_____
29. 30,000 - 32,999	<u>2</u>	_____	10,000 - 10,999	<u>5</u>	_____
30. 33,000 - 35,999	<u>1</u>	_____	11,000 - 11,999	<u>4</u>	_____
31. 36,000 - 38,999	<u>3</u>	_____	12,000 - 12,999	<u>2</u>	_____
32. 39,000 - 41,999	<u>0</u>	_____	13,000 - 13,999	<u>3</u>	_____
33. 42,000 - 44,999	<u>1</u>	_____	14,000 - 14,999	<u>5</u>	_____
34. 45,000 - OVER	<u>0</u>	_____	15,000 - OVER	<u>6</u>	_____
35. Total	<u>120</u>	_____	Total	<u>145</u>	_____

Section G. Information on Enrollment**(Institutions with TRADITIONAL CALENDAR)**

Institutions that had Fall 1982 enrollment, fill in line 36.

	(a) Undergraduate	(b) Graduate/Professional
36. Total number of students, Fall, 1982	<u>805</u>	_____

Institutions that did not have Fall 1982 enrollment, fill in lines 37 and 38.

	(a) Undergraduate	(b) Graduate/Professional
37. Estimated number of students, Fall, 1983	_____	_____
38. Projected number of students, Fall, 1984	_____	_____

(Institutions with NON-TRADITIONAL CALENDAR)

	(a) Continuing Students	(b) New Starts
39. July 1, 1982	_____	_____
40. August 1	_____	_____
41. September 1	_____	_____
42. October 1	_____	_____
43. November 1	_____	_____
44. December 1	_____	_____
45. January 1, 1983	_____	_____
46. February 1	_____	_____
47. March 1	_____	_____
48. April 1	_____	_____
49. May 1	_____	_____
50. June 1, 1983	_____	_____

51. Total _____

Application and Fiscal Operations Report (FISAP)

OMB NO. 1040-0005

Name of Institution
and StateHelena Vo Tech Center

Serial

Number 2419

Entity

Number 1 816 0060 557 - A1

Part IV. Supplemental Educational Opportunity Grants Program (SEOG)

For Award Year July 1, 1982 Through June 30, 1983

Section A. Funds Authorized/Released for SEOG

	a Initial Year Allocation	b Continuing Year Allocation
1. Final Adjusted SEOG Authorization ^f <u>4/30/82</u> date of adj.	\$ <u>7,333</u>	\$ <u>3,666</u>

Section B. Funds Available for SEOG Expenditures

2. CWS Transferred to and Spent in SEOG	+ \$ <u>0</u>	+ \$ <u>0</u>
3. SEOG Transferred to and Spent in CWS	- \$ <u>1099</u>	- \$ <u>0</u>
4. Funds Available (IY = Lines 1 + 2 - 3) (CY = Lines 1 + 2 - 3)	\$ <u>6234</u>	\$ <u>3666</u>

Section C. Funds Spent for SEOG Program

5. SEOG Disbursements to Students	\$ <u>5937</u>	\$ <u>3491</u>
6. Administrative Cost Allowance Claimed	+ \$ <u>297</u>	+ \$ <u>175</u>
7. Funds Spent (Lines 5 + 6)	\$ <u>6234</u>	\$ <u>3666</u>

Section D. Use of SEOG Authorization

8. Expended SEOG Authorization (Line 3 + Line 7 - Line 2)	\$ <u>7333</u>	\$ <u>3666</u>
9. Unexpended SEOG Authorization (Line 1 - Line 8) (cannot be negative)	\$ <u>0</u>	\$ <u>0</u>

Section E. Miscellaneous Information

10. Amount of SEOG Disbursements to Less than Half-Time Students (IY and CY) (Cannot be more than 10% of your 1982-83 original and supplemental authorizations plus line 3 of Part V).	\$ <u>0</u>
11. Prior Year Recoveries	\$ <u>0</u>

Application and Fiscal Operations Report (FISAR)

Name of Institution and State Helena Vo Tech Center MT

Serial Number 2419

Entity Number 1- 816-000-557A - 1

Part V. College Work-Study Program (CWS) For Award Year July 1, 1982 Through June 30, 1983

Section A. Funds Authorized/Released for CWS

1. Final Adjusted CWS Authorization

9/30/82
date of
adj.

\$ 43,420

Section B. Funds Available for CWS Expenditures

2. SEOG Funds Transferred to and Spent in CWS

+ \$ 1,099

3. CWS Funds Transferred to and Spent in SEOG

- \$ 0

4. 1983-84 Funds Carried Back and Spent in 1982-83

+ \$ 1,409

5. 1981-82 Funds Carried Forward and Spent in 1982-83

+ \$ 0

6. 1982-83 Funds Carried Forward to be Spent in 1983-84

- \$ 0

7. 1982-83 Funds Carried Back and Spent in 1981-82

- \$ 3,679

8. Total Funds Available for 1982-83 (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7)

\$ 45,249

Section C. Total Compensation for CWS

9. Total Earned Compensation for Regular CWS Jobs

\$ 56,569

10. Total Earned Compensation for Community Service Learning Program Jobs

+ \$ 0

11. Total Earned Compensation for Total CWS Program (Line 9 + Line 10)

\$ 56,569

12. Institutional Share of Earned Compensation (See Instructions)

\$ 14,148

Section D. Funds Spent from Federal Share of CWS

13. Federal Share of CWS Disbursements to Students (Both Regular and Community Service Learning Program)

\$ 42,421

14. Administrative Cost Allowance Claimed for Regular CWS Program

- \$ 2,828

15. Administrative Cost Allowance Claimed for CSLP (May Not Exceed 10% of Line 10)

+ \$ 0

16. Federal Share of Job Location and Development Program Expenditures (The lesser of \$25,000 or 10% of (your 1982-83 original and supplemental authorizations plus lines 4 and 5 of Part V)).

+ \$ 0

17. Total Federal Funds Spent for CWS (Sum of Lines 13 through 16)

\$ 45,249

Section E. Use of CWS Authorization

18. Expended CWS Authorization (Lines 3 + 6 + 7 + 17) minus (Lines 2 + 4 + 5)

\$ 46,420

19. Unexpended CWS Authorization (Line 1 - Line 18)

\$ 0

Name of Institution
and StateHelena Vo Tech Center

Serial

Number 2419

Entity

Number 1- 816 000 - 557A - 1**Section F. Miscellaneous Information**

20. Federal Share of Compensation Earned by Less Than-Half Time Students \$ 0
21. Prior Year Recoveries \$ 0

Section G. Information About the Job Location and Development Program

22. Total Expenditures for the Job Location and Development Program \$ 0
23. Institutional Share of JLD Program Expenditures (See Instructions) - \$ 0
24. Federal Share of JLD Program Expenditures (Line 22 - Line 23,
Line 24 Must Equal Section D, Line 16) \$ 0
25. Number of Enrolled Students for Whom Jobs Were Located or Developed 0
26. Total Earnings of the Students in Line 25 Above \$ 0

Section H. Maintenance of Effort for the Job Location and Development Program

If your institution operated a Federal JLD Program in 1982-83, fill in
line 27 only.

27. Institutional Expenditures for JLD Program in Award Year 1982-83 \$ 0

If your institution is operating a Federal JLD Program for the first time in 1983-84,
fill in lines 28 - 32 only.

28. Institutional Expenditures for JLD Program in Award Year 1980-81 \$ 0
29. Institutional Expenditures for JLD Program in Award Year 1981-82 \$ 0
30. Institutional Expenditures for JLD Program in Award Year 1982-83 \$ 0
31. Total (Sum of Lines 28, 29, and 30) \$ 0
32. Average Annual Expenditure \$ 0

Application and Fiscal Operations Report (FISAP)

OMB No. 1840-0073

Name of Institution and State Helena Vo Tech Center MT Serial Number 2419 Entity Number 1-816 000 557A 1

Part VI. Program Summary For Award Year July 1, 1982 Through June 30, 1983

Section A. Income Distribution of Program Recipients

STUDENT FAMILY INCOME CATEGORY	NDSL		SEOG IY		SEOG CY		GWS		SUMMARY	
	a Recipients	b Funds	c Recipients	d Funds	e Recipients	f Funds	g Recipients	h Amount Earned	i Unduplicated Number of Recipients	j Amount Spent
1. \$0 - 5,999			2	1082			6	8330	7	9412
2. \$6,000 - 11,999			1	542			6	4978	7	5520
3. \$12,000 - 17,999			1	632			6	9148	7	9780
4. \$18,000 - 23,999							5	6334	5	6334
5. \$24,000 - 29,999							3	2275	3	2275
6. \$30,000 and OVER							1	2920	1	2920
7. Undergraduate Independent							15	22,584	26	29,756
8. Graduate			8	3681	6	3491	DOES NOT APPLY	DOES NOT APPLY		
9. Less than half-time students	DOES NOT APPLY	DOES NOT APPLY								
10. TOTAL			12	5937	6	3491	42	56,569	56	65,997

Administrative Cost Allowance Worksheet (Worksheet must be retained for audit and program reviews)

Section B. Calculating the Administrative Cost Allowance

STEP 1 Calculate the amount spent in 1982-83 on which the Administrative Cost Allowance is based:

1. Total compensation in CWS (amount from Part V, Section C, line 11) \$ 56,569
2. CSLP employment expenditures (amount from Part V, Section C, line 10) - \$ 0
3. Eligible expenditures for Administrative Cost Allowance calculation (line 1 minus line 2)
(must be the same as Part V, Section C, line 9) \$ 56,569
4. Amount of NDLSL funds advanced to students
(amount from Part III, Section B, line 3) + \$ 0
5. SEOG funds disbursed to students (amount from Part IV, Section C, line 5, columns a + b) + \$ 9,428
6. TOTAL Amount Spent (lines 3 + 4 + 5) \$ 65,997

STEP 2 Calculate the Administrative Cost Allowance:

(Complete only ONE Subsection)

Institutions whose total amount spent was \$2,750,000 OR LESS

7. Enter total amount spent (line 6) \$ 65,997
8. Multiply x .05
9. TOTAL Administrative Cost Allowance \$ 3,300

(GO TO STEP 3)

Institutions whose total amount spent was MORE THAN \$2,750,000 but LESS THAN \$5,500,000

10. Enter total amount spent (line 6) \$
11. Subtract - \$ 2,750,000
12. Expenditures over \$2,750,000 (line 10 minus line 11) \$
13. Multiply x .04
14. Administrative Cost Allowance on expenditures
over \$2,750,000 (line 12 x line 13) \$
15. Add Administrative Cost Allowance on expenditures
of \$2,750,000 + \$ 137,500
16. TOTAL Administrative Cost Allowance (line 14 + line 15) \$

(GO TO STEP 3)

Institutions whose total amount spent was \$5,500,000 OR MORE

17. Enter total amount spent (line 6) \$
18. Subtract - \$ 5,500,000
19. Expenditures over \$5,500,000 (line 17 minus line 18) \$
20. Multiply x .03
21. Administrative Cost Allowance on expenditures
over \$5,500,000 (line 19 x line 20) \$
22. Add Administrative Cost Allowance on expenditures
of \$5,500,000 + \$ 247,500
23. TOTAL Administrative Cost Allowance (line 21 + line 22) \$

(GO TO STEP 3)

STEP 3 Decide how much Administrative Cost Allowance the Institution claimed:

24. How much Administrative Cost did the Institution claim?
(The amount may be the same or less than the amount calculated
in Step 2) \$
25. How much Administrative Cost did the Institution
claim in each program?
 - a. NDLSL (must usually be the same as Part III, Section B,
line 4, see instructions for Part III, Section B) \$ 0
 - b. SEOG IY (must be the same as Part IV, Section C,
line 6, column a) \$ 297
 - c. SEOG CY (must be the same as Part IV, Section C,
line 6, column b) \$ 175
 - d. CWS (must be the same as Part V, Section D, line 14) \$ 2,828

Part I. Identifying Information and Certifications

Section A. Identifying Information

1. Name and Address of Institution

Helena Vocational Technical Center
1115 North Roberts
Helena, MT 59601

2. Serial No. 2419
(4 digits)

3. Entity No. 1- 816000557A1
(11 digits)

Branch Campuses

If there is not enough space here to list all of your branch campuses, attach a list on a separate sheet of paper.

I have attached a separate list of branch campuses.

☐ Yes

☒ No

a.

b.

c.

d.

4. Type of Institution ("X" one)

☐ 4.1 Public

☐ 4.2 Private/Non-Profit

☐ 4.3 Proprietary

☒ 4.4 Postsecondary Vocational

5. Length/Type of Program ("X" one)

☐ 5.1 Less than 1 year

☐ 5.2 1 year but less than 2 years

☒ 5.3 2 years but less than 3 years

☐ 5.4 3 years but less than 4 years

☐ 5.5 4 years (Baccalaureate Degree granting only)

☐ 5.6 5 years or more

☐ 5.7 Postbaccalaureate only

Section B. Certifications

We certify that the information contained in this form is true and accurate to the best of our knowledge. We understand that the information is subject to audit by representatives of the Secretary of Education.

6. President of Institution

Signature Alex Capdeville

Typed name Alex Capdeville, Ph. D.

Date signed October 12, 1982

Telephone no. (406) 442-0060 Ex. 33
area code - number - extension

7. Financial Aid Administrator

Signature C. B. Stalnaker

Typed name C. B. Stalnaker

Date signed October 12, 1982

Telephone no. (406) 442-006- Ex. 42
area code - number - extension

8. Chief Fiscal Officer

Signature Chuck Wetterling

Typed name Chuck Wetterling

Date signed October 12, 1982

Telephone no. (406) 442-0060 Ex. 32
area code - number - extension

WARNING: Any person who knowingly provides false or misleading information on this form will be subject to a fine of up to \$10,000 or to imprisonment of up to 5 years or to both under provisions of the United States Criminal Code.

Application and Fiscal Operations Report (FISAP)

 Name of Institution Helena Vocational-Technical Center

 Serial Number 2419

 Entity Number 1- 816000557A1

Part II. Application to Participate

Section A. Request for Funds for the 1983-84 Award Year

1. NDSL Level of Expenditures \$ N/A
2. NDSL Federal Capital Contribution \$ N/A
3. SEOG Initial Year (IY) \$ 10,000
4. SEOG Continuing Year (CY) \$ 5,000
5. CWS Federal Funds \$ 75,000

Section B. CWS Waiver Request

(Applies only to certain schools; see instructions)

6. Do you wish to apply as a developing institution?
- ☐ Yes
- ☒ No
7. Do you wish to apply as an institution which has 50% or more of its students from families with an income of less than \$7,500?
- ☐ Yes
- ☒ No

Section C. Request for Special CWS Funds for Students from Trust Territory/American Samoa

(Applies only to schools with students from certain areas; see instructions)

Number of students to be employed	Estimated average earnings per student (Federal & Institutional shares)	Estimated Total earnings (a x b)	Federal share (Not to exceed 80% of column c)	Administrative cost allowance	Total Request (d + e)
8. a. # _____	b. \$ _____	c. \$ _____	d. \$ _____	e. \$ _____	f. \$ _____

Section D. Maintenance of Effort

Institutions that participated in SEOG and/or CWS in Award Year 1981-1982, complete line 9.

9. Institutional Expenditures July 1, 1981-June 30, 1982 \$ 5,464

Institutions that received SEOG and/or CWS funds for the first time in Award Year 1982-1983, complete lines 10-14.

10. July 1, 1979-June 30, 1980 Expenditures \$ 11,649
11. July 1, 1980-June 30, 1981 Expenditures \$ 17,895
12. July 1, 1981-June 30, 1982 Expenditures \$ 5,464
13. TOTAL EXPENDITURES \$ 35,008
14. 3 - Year Average \$ 11,669

Name of Institution Helena Vocational-Technical CenterSerial Number 2419Entity Number 1- 816000557A1

Section E. Assessments and Expenditures

	(a) Undergraduate	(b) Graduate/Professional
15. Total tuition and fees for the Award Year July 1, 1981-June 30, 1982	\$ <u>232,146</u>	\$ _____
16. Total expended to fund Pell recipients for the 1981-82 Pell Grant Award Year	\$ <u>125,423</u>	_____
17. Total expended for State grants and scholarships made to undergraduates for the Award Year July 1, 1981 to June 30, 1982	\$ <u>5,407</u>	_____
18. Total expended for Institutionally administered grants and scholarships made to undergraduates for the Award Year <u>JULY 1, 1977 to JUNE 30, 1978</u>	\$ <u>500</u>	_____

Section F. Information on Eligible Aid Applicants for Award Year 1981-82

	Total Taxable & Non-taxable Income	DEPENDENT		Total Taxable & Non-taxable Income	INDEPENDENT	
		Undergraduate	Graduate/Professional		Undergraduate	Graduate/Professional
19. \$ 0 - \$ 2,999		<u>10</u>	_____	\$ 0 - \$ 999	<u>27</u>	_____
20. 3,000 - 5,999		<u>12</u>	_____	1,000 - 1,999	<u>11</u>	_____
21. 6,000 - 8,999		<u>12</u>	_____	2,000 - 2,999	<u>28</u>	_____
22. 9,000 - 11,999		<u>7</u>	_____	3,000 - 3,999	_____	_____
23. 12,000 - 14,999		<u>11</u>	_____	4,000 - 4,999	<u>14</u>	_____
24. 15,000 - 17,999		<u>7</u>	_____	5,000 - 5,999	<u>6</u>	_____
25. 18,000 - 20,999		<u>7</u>	_____	6,000 - 6,999	<u>8</u>	_____
26. 21,000 - 23,999		<u>6</u>	_____	7,000 - 7,999	<u>10</u>	_____
27. 24,000 - 26,999		<u>5</u>	_____	8,000 - 8,999	<u>8</u>	_____
28. 27,000 - 29,999		<u>1</u>	_____	9,000 - 9,999	<u>4</u>	_____
29. 30,000 - 32,999		<u>1</u>	_____	10,000 - 10,999	<u>1</u>	_____
30. 33,000 - 35,999		_____	_____	11,000 - 11,999	<u>3</u>	_____
31. 36,000 - 38,999		<u>2</u>	_____	12,000 - 12,999	<u>2</u>	_____
32. 39,000 - 41,999		_____	_____	13,000 - 13,999	<u>1</u>	_____
33. 42,000 - 44,999		_____	_____	14,000 - 14,999	<u>1</u>	_____
34. 45,000 - OVER		_____	_____	15,000 - OVER	<u>4</u>	_____
35. Total		<u>81</u>	_____	Total	<u>128</u>	_____

Section G. Information on Enrollment

(Institutions with TRADITIONAL CALENDAR)

(Institutions with NON-TRADITIONAL CALENDAR)

Institutions that had Fall 1981 enrollment, fill in line 36.

	(a) Undergraduate	(b) Graduate/Professional
36. Total number of students, Fall, 1981	<u>814</u>	_____

Institutions that did not have Fall 1981 enrollment, fill in lines 37 and 38.

	(a) Undergraduate	(b) Graduate/Professional
37. Estimated number of students, Fall, 1982	<u>816</u>	_____

38. Projected number of students, Fall, 1983	<u>820</u>	_____
--	------------	-------

	(a) Continuing Students	(b) New Starts
39. July 1, 1981	_____	_____
40. August 1	_____	_____
41. September 1	_____	_____
42. October 1	_____	_____
43. November 1	_____	_____
44. December 1	_____	_____
45. January 1, 1982	_____	_____
46. February 1	_____	_____
47. March 1	_____	_____
48. April 1	_____	_____
49. May 1	_____	_____
50. June 1, 1982	_____	_____
51. Total	_____	_____

Application and Fiscal Operations Report (FISAP)

Name of Institution Helena Vo-Tech Center Serial Number 2419 Entity Number 1- 816000557A1

Part IV. Supplemental Educational Opportunity Grants Program (SEOG)

Section A. Funds Authorized/Released for SEOG

	^a Initial Year	^b Continuing Year
1. Final Adjusted SEOG Authorization	\$ <u>12,848</u>	\$ <u>4,282</u>

Section B. Funds Available for SEOG Expenditures

2. CWS Transferred and Spent in SEOG	+ \$ <u>0</u>	+ \$ <u>0</u>
3. SEOG Transferred and Spent in CWS	- \$ <u>1,713</u>	- \$ <u>0</u>
4. Funds Available (IY = Lines 1 + 2 - 3) (CY = Lines 1 + 2 - 3)	\$ <u>11,135</u>	\$ <u>4,282</u>

Section C. Funds Spent for SEOG Program

5. SEOG Disbursements to Students	\$ <u>10,578</u> ✓	\$ <u>3,955</u> ✓
6. Administrative Cost Allowance Claimed	+ \$ <u>557 529</u>	+ \$ <u>198</u>
7. Funds Spent (Lines 5 + 6)	\$ <u>11,135 11,107</u>	\$ <u>4,153</u>

Section D. Use of SEOG Authorization

8. Expended SEOG Authorization (Line 3 + Line 7 - Line 2)	\$ <u>12,848 12,820</u>	\$ <u>4,153</u>
9. Unexpended SEOG Authorization (Line 1 - Line 8)	\$ <u>0</u>	\$ <u>129</u>

Section E. Miscellaneous Information

10. Amount of SEOG Disbursements to Less Than Half-Time Students (IY and CY) (Cannot be more than 10% of your original plus Supplemental authorizations)	\$ <u>0</u>
11. Prior Year Recoveries	\$ <u>0</u>

Application and Fiscal Operations Report (FISAP)

Name of Institution Helena Vo-Tech Center Serial Number 2419 Entity Number 1- 816000557A1

Part V. College Work-Study Program (CWS)

Section A. Funds Authorized/Released for CWS

1. Final Adjusted CWS Authorization \$ 48,976

Section B. Funds Available for CWS Expenditures

2. SEOG Funds Transferred and Spent in CWS + \$ 1,713
 3. CWS Funds Transferred and Spent in SEOG - \$ 0
 4. 1982-83 Funds Carried Back and Spent in 1981-82 + \$ 3,679
 5. 1980-81 Funds Carried Forward and Spent in 1981-82 + \$ 0
 6. 1981-82 Funds Carried Forward to be Spent in 1982-83 - \$ 0
 7. 1981-82 Funds Carried Back and Spent in 1980-81 - \$ 2,284
 8. Total Funds Available for 1981-82 (Lines 1 + 2 - 3 + 4 + 5 - 6 - 7) \$ 52,084

Section C. Total Compensation for CWS

9. Total Earned Compensation for Regular CWS Jobs \$ 61,746
 10. Total Earned Compensation for Community Service Learning Program Jobs + \$ 0
 11. Total Earned Compensation for Total CWS Program (Line 9 + Line 10) \$ 61,746
 12. Institutional Share of Earned Compensation (See Instructions) \$ 12,349

Section D. Funds Spent from Federal Share of CWS

13. Federal Share of CWS Disbursements to Students (Both Regular and Community Service Learning Program) \$ 49,397
 14. Administrative Cost Allowance Claimed for Regular CWS Program + \$ 3,087
 15. Administrative Cost Allowance Claimed for CSLP (May Not Exceed 10% of Line 10) + \$ 0
 16. Federal Share of Job Location and Development Program Expenditures (May not exceed \$25,000 or 10% of the sum of lines 4 + 5 plus your original and supplemental authorizations, whichever is less.) + \$ 0
 17. Total Federal Funds Spent for CWS (Sum of Lines 13 through 16) \$ 52,084 *52,084*

Section E. Use of CWS Authorization

18. Expended CWS Authorization (Lines 3 + 6 + 7 + 17) minus (Lines 2 + 4 + 5) \$ 48,976
 19. Unexpended CWS Authorization (Line 1 - Line 18) \$ 0

Name of
Institution Helena Vo-Tech CenterSerial
Number 2419Entity
Number 1- 816000557A1**Section F. Miscellaneous Information**

20. Federal Share of Compensation Earned by Less-Than-Half Time Students \$ 0
21. Prior Year Recoveries \$ 0

Section G. Information About the Job Location and Development Program

22. Total Expenditures for the Job Location and Development Program \$ 0
23. Institutional Share of JLD Program Expenditures (See Instructions) - \$ 0
24. Federal Share of JLD Program Expenditures (Line 22 - Line 23;
Line 24 Must Equal Section D, Line 16) \$ 0
25. Number of Enrolled Students for Whom Jobs Were Located or Developed 0
26. Total Earnings of the Students in Line 25 Above \$ 0

Section H. Maintenance of Effort for the Job Location and Development Program

If your institution operated a Federal JLD Program in 1981-82, fill in
line 27 only.

27. Institutional Expenditures for JLD Program in Award Year 1981-82 \$ 0

If your institution is operating a Federal JLD Program for the first time in 1982-83,
fill in lines 28 - 32 only.

28. Institutional Expenditures for JLD Program in Award Year 1979-80 \$ 0
29. Institutional Expenditures for JLD Program in Award Year 1980-81 \$ 0
30. Institutional Expenditures for JLD Program in Award Year 1981-82 \$ 0
31. Total (Sum of Lines 28, 29, and 30) \$ 0
32. Average Annual Expenditure \$ 0

Application and Fiscal Operations Report (FISAP)

Name of Institution Helena Vo-Tech Center Serial Number 2419 Entity Number 1- 816000557A1

Part VI. Program Summary

Section A. Income Distribution of Program Recipients

STUDENTS	NDSL		SEOG IY		SEOG CY		CWS		SUMMARY	
	a Recipients	b Funds	c Recipients	d Funds	e Recipients	f Funds	g Recipients	h Amount Earned	i Unduplicated Number of Recipients	j Amount Spent
1. \$0 - 5,999					1	315	5	8002.90		8318
2. \$6,000 - 11,999					1	675	6	8041.14		8716
3. \$12,000 - 17,999			1	450			6	11,735.20		12,185
4. \$18,000 - 23,999					1	469	6	5,631.70		6,101
5. \$24,000 - 29,999							3	2,600.20		2600
6. \$30,000 and OVER					1	450				450
7. Undergraduate Independent			2	1,475	23	10699 10,669	28	25,734.53		37,909
8. Graduate			DOES NOT APPLY	DOES NOT APPLY	DOES NOT APPLY	DOES NOT APPLY				
9. Less than half-time students	DOES NOT APPLY	DOES NOT APPLY								
10. TOTAL			3	1,925	27	12,608	54	51,745.67		76,279

Undergraduate Dependents

Application and Fiscal Operations Report Part VI

Name of Institution Helena Vo-Tech CenterSerial Number 2419Entity Number 1- 816000557A1

Section B. Calculating the Administrative Cost Allowance

STEP 1 Calculate the amount spent in 1981-82 on which the Administrative Cost Allowance is based:

1. Total compensation in CWS (amount from Part V, Section C, line 11) \$ _____
2. CSLP employment expenditures (amount from Part V, Section C, line 10) - \$ _____
3. Eligible expenditures for Administrative Cost Allowance calculation (line 1 minus line 2) (must be the same as Part V, Section C, line 9) \$ 61746
4. Amount of NDSE funds advanced to students (amount from Part III, Section B, line 3) + \$ _____
5. SEOG funds disbursed to students (amount from Part IV, Section C, line 5, columns a + b) + \$ 14533
6. TOTAL Amount Spent (lines 3 + 4 + 5) \$ 76279

STEP 2 Calculate the Administrative Cost Allowance:
(Complete only ONE Subsection)

Institutions whose total amount spent was \$2,750,000 OR LESS

7. Enter total amount spent (line 6) \$ 76279
 8. Multiply x .05
 9. TOTAL Administrative Cost Allowance \$ 3814
- (GO TO STEP 3)

Institutions whose total amount spent was MORE THAN \$2,750,000 but LESS THAN \$5,500,000

10. Enter total amount spent (line 6) \$ _____
 11. Subtract - \$ 2,750,000
 12. Expenditures over \$2,750,000 (line 10 minus line 11) \$ _____
 13. Multiply x .04
 14. Administrative Cost Allowance on expenditures over \$2,750,000 (line 12 x line 13) \$ _____
 15. Add Administrative Cost Allowance on expenditures of \$2,750,000 + \$ 137,500
 16. TOTAL Administrative Cost Allowance (line 14 + line 15) \$ _____
- (GO TO STEP 3)

Institutions whose total amount spent was \$5,500,000 OR MORE

17. Enter total amount spent (line 6) \$ _____
 18. Subtract - \$ 5,500,000
 19. Expenditures over \$5,500,000 (line 17 minus line 18) \$ _____
 20. Multiply x .03
 21. Administrative Cost Allowance on expenditures over \$5,500,000 (line 19 x line 20) \$ _____
 22. Add Administrative Cost Allowance on expenditures of \$5,500,000 + \$ 247,500
 23. TOTAL Administrative Cost Allowance (line 21 + line 22) \$ _____
- (GO TO STEP 3)

STEP 3 Decide how much Administrative Cost Allowance the Institution claimed:

24. How much Administrative Cost did the Institution claim?
(The amount may be the same or less than the amount calculated in Step 2) \$ _____
25. How much Administrative Cost did the Institution claim in each program?
 - a. NDSE (must usually be the same as Part III, Section B, line 4, column b; see instructions for Part III, Section B) \$ 529
 - b. SEOG IY (must be the same as Part IV, Section C, line 6, column a) \$ 198
 - c. SEOG CY (must be the same as Part IV, Section C, line 6, column b) \$ 3087
 - d. CWS (must be the same as Part V, Section D, line 14) \$ _____


 U.S. DEPARTMENT OF EDUCATION
 OFFICE OF POSTSECONDARY EDUCATION
 WASHINGTON, DC 20202

 BASIC EDUCATIONAL OPPORTUNITY GRANT PROGRAM
 STUDENT VALIDATION ROSTER

Academic Year 1981-82

 FORM APPROVED
 OMB NO 3086-0086
 EXPIRES 8/30/81
 TYPE OF REPORT

 END OF YEAR REPORT
 INITIAL DISTRICT

DATE OF REPORT

SEPTEMBER 10, 1982

 13
 OF CYCLE 14

STUDENT NAME SOC SEC # DATE OF BIRTH TRANS NO

SECTION IV - INSTITUTIONAL PROGRESS REPORT

REPORT PERIOD 1981-82 ONLY

REPORT OF EXPENDITURES AND RECIPIENTS (SEE INSTRUCTIONS)

HEAD ID NO. (1-6)		10. REPORT FOR (27)		ENTER DOLLARS ONLY -	
007570		3 1-1 JUNE 30 5 12-1 REVISED JUNE 30		DO NOT SHOW CENTS	
UNTR ID. (9-20)		11. DATE REPORT PREPARED (29-34)			
18160055741		11/17/82			
GROSS EXPENDITURES (ACTUAL PAYMENTS TO STUDENTS TO DATE)		12.1	125,432	13.1	125,432
LESS RECOVERIES (TO DATE)		13.1	0	14.1	0
NET EXPENDITURES		12.1-13.1	125,432	15.1	125,432
ADDITIONAL AMOUNT FOR PRESENT RECIPIENTS		15.1		16.1	
TOTAL EXPENDITURES AND RECIPIENTS		16.1-17.1	125,432	18.1	125,432
CURRENT ED APPROVED AUTHORIZATION PER ED RECORDS AS OF: 09/01/82 10.1		10.1	125,321	11.1	125,321
INSTITUTION'S REQUESTED AUTHORIZATION ADJUSTMENT		17.1-18.1	19,469	19.1	19,469
NUMBER OF STUDENT ELIGIBILITY REPORTS PREVIOUSLY SUBMITTED AS OF: 09/30/82		21.1	182	22.1	182
NUMBER OF STUDENT ELIGIBILITY REPORTS SUBMITTED WITH THIS REPORT		22.1	23	23.1	205
TOTAL NUMBER OF STUDENT ELIGIBILITY REPORTS SUBMITTED		21.1+22.1	205	24.1	205
TOTAL COMPLETING THIS REPORT (29)		1.1-2.1	165	3.1	165
NAME: C. B. Stelneker		WARNING: ANY PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT OF MISREPRESENTATION ON THIS FORM MAY BE SUBJECT TO A FINE OF UP TO \$10,000 OR 10			
TITLE: Financial Aid Director		IMPRISONMENT OF UP TO 5 YEARS OR TO BOTH UNDER PROVISIONS OF THE UNITED			
PHONE: (406) 442-0060 Ext. 42		STATES CRIMINAL CODE. SUCH PROVISIONS MAY INCLUDE KNOWING OTHERS 18			
SIGNATURE: C. B. Stelneker		U.S.C. 1001. (29 USC 177A, 34CFR 630.84)			
		ED FORM 255-3, 5/78		PREVIOUS EDITION IS OBSOLETE	

END OF ROSTER - TOTAL PAGES 13

AGENCY RESPONSES



HELENA VOCATIONAL— TECHNICAL CENTER

HELENA PUBLIC SCHOOLS

(Serving Montana)

PHONE 442-0060

1115 ROBERTS — HELENA, MONTANA 59601

ALEX CAPDEVILLE
DIRECTOR
EINAR BROSTEN
FISCAL ADM
JAMES J THOMAS
ASST DIRECTOR

February 23, 1984

RECEIVED

James H. Gillett
Deputy Legislative Auditor
Office of the Legislative Auditor
State Capitol
Helena, MT 59620

MONITORING UNIT

Dear Mr. Gillett:

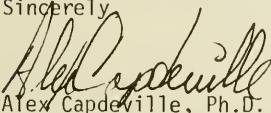
Attached are our responses to the recommendations made in the 1982-83 audit.

As noted, we concur in most cases and are in the process of implementing your recommendations.

I appreciate the cooperative efforts of you and your staff and look forward to working with you in the future.

If you have questions or need additional information, please do not hesitate to call.

Sincerely,


Alex Capdeville, Ph.D.
Director

AC/sr
xc: Roger Eble

Encs.

RECOMMENDATION #1

- A. Concur. The Helena Vo-Tech Center will include SWCAP in our indirect cost proposals.
- B. Concur. All possible indirect costs will be claimed.
- C. Concur. The Center will account for all indirect cost recoveries in the unrestricted fund.

RECOMMENDATION #2

- A. Concur. Presently the Center uses the Montana Uniform Application developed by the Office of Public Instruction. The Helena Vo-Tech Center should work with the Office of Public Instruction to establish a uniform policy for the five vo-tech centers.
- B. Partially concur. Applicants are accepted on a first-come, first-served basis in all programs. Counselors traditionally know which programs usually fill first, and when out-of-state or out-of-country requests are received, the counselors will suggest that these applicants apply to schools in other states. If a program traditionally has openings each session, an out-of-state applicant will be accepted into that class. The applicant, however, is informed of the state law and informed that he/she might be bumped.

It is our recommendation that this law be reviewed. At this time, it is discriminatory against out-of-state residents applying and who may begin classes if not filled by Montana residents.

RECOMMENDATION #3

Do not concur. The Helena Vo-Tech Center secretaries and custodians are School District No. 1 employees and all leave benefits have been negotiated with the MPEA. Any changes would have to be brought before the collective bargaining table during negotiations.

RECOMMENDATION #4

- A. Concur. We will request budget authority to transfer funds from the aircraft testing program to cover the flight training program deficit.
- B. Concur. Presently we are not offering flight training service. However, in the event we should provide the service, adequate coverage will be obtained.
- C. Concur. Approval to offer the flight training service is in the process of being obtained from the Office of Public Instruction.

RECOMMENDATION #5

Concur. Amounts exceeding \$7500 will be formally let for bid in the future.

RECOMMENDATION #6

Concur. We will accrue revenue for all federal grant money earned and defer revenue for all federal grant money received in advance.

RECOMMENDATION #7

- A. Concur. Currently we are in the process of updating our inventory to include all federal equipment.
- B. Concur. In the past we have updated our inventory annually. We are now in the process of implementing a computerized random sample check system to avoid oversights in the property records.
- C. Concur. All capital equipment acquired by lease will be recorded on the inventory.

RECOMMENDATION #8

Concur. We are implementing a procedure whereby filling out work orders, billing customers and establishing accounts receivable will be handled by the parts department bookkeeper at the Poplar Street building. All collections and receipts will be handled by the front office secretary at the Poplar Street building.

RECOMMENDATION #9

- A. Concur. All student records for FY84 are on the computer and are checked for satisfactory progress before financial aid funds are awarded. Students failing to make satisfactory progress are required to sign a statement of acknowledgement.
- B. Concur. A policy has now been established and submitted to the regional office stating the number of quarters a student may receive aid.
- C. Partially concur. Presently, all students enrolling on a full-time basis are tested for academic ability in areas of basic skills. Once tested, students are informed of their probability of succeeding in their chosen field. Students with poor test scores are urged to not begin classes until they have completed basic skill upgrading classes at the Adult Learning Center. Counselors will inform the financial aid officer of students receiving poor test scores. These students will continually be monitored for satisfactory progress and subsequent funding. However, the Helena Vo-Tech Center is an institution with open admissions and any student, regardless of test scores, may elect to attend. That student, therefore, has the right to certain entitlements of financial aid.
- D. Do not concur. School policy allows for exceptions made through academic and counselor review. The financial aid office followed the school policy and, based on counselor recommendation, the student was allowed to stay in school and receive financial aid.

RECOMMENDATION #10

- A. Concur. The amended FISAPS have been submitted to the U. S. Department of Education.
- B-C. Concur. We will re-establish a new maintenance of level of effort based on figures more current (as per telephone conversation with Paul Tone, U. S. Department of Education, Region 8).

RECOMMENDATION #11

Concur. The corrected federal financial aid reports for fiscal years 1981-82 and 1982-83 are being submitted to the U. S. Department of Education.

RECOMMENDATION #12

- A. Concur. The corrected final Pell Progress Reports for June 30, 1982, and June 30, 1983, have been submitted.
- B. Concur. With information now being given from SBAS in a more timely manner, no reports should be late.

RECOMMENDATION #13

Concur. An amended 1983 EDPMTS report has been submitted to the U. S. Department of Education.

RECOMMENDATION #14

Concur. Calculation of a student's cost of education based on the correct number of household members is being done as of the date of the audit. In no case did the lower cost of education being used cause the student to receive less aid, but was being used for expediency.

RECOMMENDATION #15

- A. Concur. A refund for \$73 has been submitted to the U. S. Department of Education.
- B. Concur. With computer access, this has been implemented as of FY84.

RECOMMENDATION #16

- A. Concur. Including scholarships when determining a student's financial need is being done when we are aware of the scholarships as of FY84.
- B. Concur. Counselors will inform the financial aid officer of their knowledge of any such scholarships.

RECOMMENDATION #17

Concur. Weekly meetings have been scheduled to develop a system of controls to ensure good communication between the accounting function, the registrar and the financial aid office.



OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL
HELENA, MONTANA 59620
(406) 449-3095

Ed Argenbright
Superintendent

February 23, 1984

RECEIVED

FEB 24 1984

MONTANA LEGISLATIVE AUDITOR

Mr. Robert Ringwood
Office of the Legislative Auditor
Room 135, State Capitol
Helena, Montana 59620

Dear Mr. Ringwood:

This correspondence is issued in response to the Helena Vocational-Technical Center audit for fiscal years 1981-82. In the interest of brevity we will list those recommendations by number with which the Office of Public Instruction concurs followed by a restatement of recommendations which we do not concur with and the response.

Review of the "Discussion Draft" provided for response purposes identified concurrence with all recommendations numbered one (1) through seventeen (17) excepting numbers one (1), two (2) and nine (9) which are replicated below with attendant responses.

Recommendation #1 - we recommend the Center:

A. Include SWCAP costs in its indirect cost proposals.

Response: Concur.

B. Comply with Section 17-3-111, MCA, and claim all possible indirect costs.

Response: Concur.

C. Account for the indirect cost recoveries in the unrestricted fund.

Response: Do not concur.

If these cost recoveries are to be expended as unrestricted funds, either of two things would happen:

- 1) A budget amendment would have to be submitted in order to have the budget authority to expend these funds. The results from the budget amendment would be that either additional authority would be granted or these funds would be used to revert general funds already appropriated

for use as part of the unrestricted funds.

- 2) If a budget amendment was not sought and these funds were included in the unrestricted funds, the entire indirect cost recovery amount would then revert to the general fund since all remaining funds in the pool at fiscal year end automatically revert.

Recommendation #2 - we recommend the Center:

- A. Establish a policy to more thoroughly document student residency status.
- B. Maintain adequate documentation to ensure Montana residents are given priority over nonresidents.

Response of the Office of Public Instruction:

- A. The vocational technical center system defined in 20-7-311 with local administration defined in 20-7-312 requires that policy shall be in concert with policies of the superintendent of public instruction as administered by the state director of vocational education. Centers may not individually establish policy without local board of trustee adoption and local boards must ensure said policies are in concert with the state superintendent.

This recommendation has a system-wide impact and therefore it is appropriate to be addressed at the state level.

Revisions to the uniform state application are under consideration to alleviate problems or questions of residency status.

- B. The Office of Public Instruction Department of Vocational Education Services has established procedures to address priority given to Montana residents.

Recommendation #9 - we recommend the Center:

- A. Monitor students' satisfactory progress and revoke student aid awarded to students who are not maintaining the required progress level.

Response: Concur.

- B. Establish a policy indicating the number of quarters a program lasts in order to set the number of quarters a student may receive aid.

Response: Refer to language of the Office of Public Instruction noted in conjunction with recommendation number two.

- C. Establish a policy to ensure that a student entering the center without a high school diploma or its equivalent has the ability to benefit before financial aid is disbursed to the student.

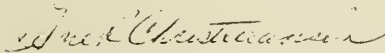
Response: Refer to response to recommendation number two. This recommendation by the Legislative Auditor presupposes an instrument or methodology available to successfully predict ability to benefit. It also refutes the open door concept established by the legislature with respect to Section 7, Article X, of the Constitution of the State of Montana.

- D. Refund the \$1,284 disbursed to students who were not maintaining satisfactory progress.

Response: Concur.

The Office of Public Instruction Department of Vocational Education Services wishes to express appreciation to the Office of the Legislative Auditor for the opportunity to respond to the recommendations of audit finding for the Helena Vocational-Technical Center, fiscal years 1981-1982.

Sincerely,



GENE R. CHRISTIAANSEN
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